

# 2009



**Royal Vopak**  
Annual Report 2009

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**Key Data**

Revenues **EUR 1,001.1 million**

Operating profit **EUR 385.3 million \***

Net profit attributable to shareholders **EUR 251.2 miljoen**

Earnings per ordinary share **EUR 3.84 \***

Employees at year-end **3,707**

Terminals **79 (in 31 countries)**

\* Excluding exceptional items



This English version of the Annual Report contains the report of the Executive Board, the financial statements and other information. In the event of textual inconsistencies between the English and Dutch versions, the first prevails. Copies of the Dutch and the English versions of the Annual Report can be obtained from Royal Vopak, Corporate Communication & Investor Relations:

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The Annual Report is also available on the Internet:  
[www.vopak.com](http://www.vopak.com)

#### **Forward-looking statements**

This document contains statements of a forward-looking nature, based on currently available plans and forecasts. Given the dynamics of the markets and the environments of the 31 countries in which Vopak renders logistic services, the company cannot guarantee the accuracy and completeness of forward-looking statements. Unforeseen circumstances include, but are not limited to, exceptional income and expense items, unexpected economic, political and foreign exchange developments, and possible changes to IFRS reporting rules. Statements of a forward-looking nature issued by the company must always be assessed in the context of the events, risks and uncertainties of the markets and environments in which Vopak operates. These factors could lead to actual results being materially different from those expected.





## Profile

With a history spanning almost four centuries, Vopak is the global market leader in the independent storage and handling of liquid oil products, chemicals, vegetable oils, and liquefied gases. Vopak has terminals in the world's most strategic ports. It operates specialized facilities including product tanks, jetties, truck loading stations and pipelines, and provides access to road and rail networks. In many instances, it stores its customers' products for extended periods at these terminals, often under highly specified conditions such as controlled temperature. The company also blends components according to desired specifications. Vopak's terminals play a key role in product transit from the producer plant via tank terminals to end-user locations, either by ship, tank truck, railcar or pipeline.

Vopak's independent tank terminal network is responsible for a number of logistic functions in the product's flow from producer to end-user. Vopak operates three types of terminals:

### 1. Import-Export-Distribution Terminal

The logistical chain in bulk liquid import and export often involves transport by oceangoing vessel. For Vopak's customers, the terminal can serve as a point of origin for inland distribution by inland shipping, pipeline, tank truck, or rail. Or alternatively it serves as collection point for small parcels, originating from an inland production facility, to create a large parcel for overseas export.

### 2. Hub Terminal

A hub terminal combines the tasks of an import-export-distribution terminal with that of a meeting point for trade. It is, in other words, a location that provides access to a market. The Vopak network comprises hubs in the Amsterdam-Rotterdam-Antwerp (ARA) Region in Europe, Houston in the United States, Fujairah in the United Arab Emirates, Singapore in Asia and at the Bahamas.

### 3. Industrial Terminal

The industrial terminal is a logistical center integrated via pipelines to every major petrochemical facility within an industrial complex. Within the complex, it supports product flows and the supply and export of feedstock and finished products.

Vopak's terminals help optimize the reliability and efficiency of our customers' logistical processes. From these terminals, Vopak offers its customers - including state-run oil companies and the producers and traders of oil products and chemicals - high-quality operations worldwide. Vopak develops its services with product, market and functional requirements in mind, always in collaboration with customers and strategic partners. At present, Vopak operates 79 tank terminals in 31 countries with a total storage capacity of more than 28 million cubic meters (cbm).

The nature of the business requires a long-term investment in strategic locations, therefore Vopak invests in longterm relationships with customers, strategic partners, governments, shareholders and employees.

Sustainability is an integral part of Vopak's business processes and operations. This is reflected by our consistent application and enforcement of strict standards, rules, codes and procedures such as concerning Safety, Health, Environment & Quality (SHEQ). Vopak's standards are in keeping with the most trendsetting oil and petrochemical companies, which constitute a major part of Vopak's customer base. The Vopak standards comply at minimum with local legislation and regulations.

Vopak is organized into five divisions:

- Chemicals Europe, Middle East & Africa
- Oil Europe, Middle East & Africa
- Asia
- North America
- Latin America

We also have a specialized business development team for LNG (Liquefied Natural Gas).

The units within our global organization work closely with one another to share their knowledge, expertise, and best practices. All of this enables Vopak to respond rapidly, creatively and correctly to changing customer needs and market developments. Vopak continually seeks to improve and expand its terminal network, particularly in strategically located ports.

At year-end the Vopak workforce comprised 3,707 employees in the group companies and 1,634 employees in tank storage joint ventures.

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## Key figures

	2009	2008
<b>Results (in EUR millions)</b>		
Revenues	1,001.1	923.5
Group operating profit before depreciation (EBITDA) *	513.4	429.3
Group operating profit (EBIT) *	385.3	320.4
Group operating profit (EBIT)	391.1	322.2
Net profit attributable to shareholders	251.2	213.2
Net profit attributable to holders of ordinary shares	247.6	212.0
Cash flow from operating activities (net)	373.3	316.7
<b>Investments (in EUR millions)</b>		
Total investments	534.8	799.8
Average gross capital employed	3,153.0	2,572.2
Average capital employed	1,936.3	1,497.6
<b>Capital and financing (in EUR millions)</b>		
Shareholders' equity	1,252.2	933.0
Interest-bearing loans	1,190.3	972.1
Net interest-bearing debt	1,017.7	996.7
<b>Ratios</b>		
Return on Capital Employed (ROCE)	20.2%	21.5%
Return on Capital Employed (ROCE) *	20.2%	21.6%
Net debt : EBITDA	2.23	2.54
Interest cover (EBITDA : net finance costs)	10.4	10.9
<b>Key figures per ordinary share (in EUR)</b>		
Earnings per ordinary share	3.92	3.40
Earnings per ordinary share *	3.84	3.24
Diluted earnings per ordinary share	3.92	3.40
Diluted earnings per ordinary share *	3.84	3.24
<b>Company Data</b>		
Number of employees at year-end in subsidiaries	3,707	3,669
Number of employees at year-end including joint ventures	5,341	5,243
Total Injury Rate subsidiaries (per million hours worked)	6.5	5.8
LostTime Injury Rate own personnel and contractors (per million hours worked)	1.4	1.7
Number of spills	71	103
Storage capacity including joint ventures at 100% (in millions cbm)	28.3	27.1
Storage capacity subsidiaries (in millions cbm)	18.1	17.5
Occupancy (average rented storage capacity in %)	94%	95%
Estimated market share global independent tank storage	11.6%	12.0%
Contracts > 3 years (in % of income)	43%	39%
Contracts > 1 years (in % of income)	83%	80%

\* Excluding exceptional items









## Letter from the Chairman of Vopak's Executive Board to Our Customers, Employees, Shareholders and Partners



Executive Board, from left to right: Frans de Koning, John Paul Broeders, Jack de Kreij

### A good year

2009 was a good year for Vopak. In spite of exceptional conditions prevailing in the world economy, our performance in the year under review surpassed our expectations. In achieving gross Group operating profit of more than EUR 513 million, we amply exceeded our initial projection of at least EUR 450 million. We were successful in pursuing our strategy of customer leadership, operational efficiency leadership, and growth leadership with more vigor. In doing so, we demonstrated that our company is capable of harnessing relevant market knowledge to capture opportunities, even in times of great uncertainty and risk.

We maintain close relationships with our customers, with service quality and global storage capacity expansion being key factors, both now and in the future. In this respect, too, we made good progress in the year under review. A renewed cumulative financing preference shares program and two large financing arrangements accommodating our growth testified to the trust shareholders and external financial parties place in us. Our employees take pride in the success our efforts have and they show energy and commitment in working to achieve our aspirations.

### Financial performance

In 2009, Vopak realized revenues of EUR 1,001.1 million, an increase of more than 8% on 2008 (EUR 923.5 million). This increase was caused by capacity expansions at existing terminals, the construction of new terminals, and an increase in revenue per cubic meter of storage capacity. Group operating profit rose by 21% to EUR 391.1 million (2008: EUR 322.2 million). Excluding exceptional items, Group operating profit before depreciation and amortization including joint ventures and associates (EBITDA) climbed by 20% to reach EUR 513.4 million (2008: EUR 429.3 million).

### Market trends

The market for liquid bulk products is characterized by a number of ongoing trends, due, among other causes, by an increasing imbalance between production and consumption locations in the world. In part, this is caused by a shift to the Middle East and Asia of the production of oil and chemical products for exports. Other factors are the further liberalization of previously rather closed economies (e.g. Indonesia), the increasing need for distinct product specifications (e.g. gasoline) and the demand for environmentally friendlier fuels.

Besides these long-term trends, we have observed a number of specific market conditions in the year under review. As regards oil products, there was a growing global imbalance and a growing demand for biofuels. In addition, there was a 'contango' situation, meaning that trading companies built up and maintained high inventory levels in anticipation of rising oil prices. Among other consequences, our company experienced increasing demand for oil storage services, notably at strategic (hub) terminals such as Rotterdam (Netherlands), the Bahamas, Fujairah (United Arab Emirates), Tallinn (Estonia), and Singapore.

A noteworthy feature of the chemical sector in the past year was the overall fall in production, with production facilities being shut down in Europe and North America. Some were moved to the Middle East, where production capacity came on stream. The fall in chemicals production required us to demonstrate increased flexibility in allocating our storage capacity. Accordingly, we modified some of it to accommodate the storage of other products. Demand for blending services increased, as did demand for separate storage of various components of such products as biofuels.

The sound relationships we maintain with our customers, the long-term nature of our contracts and our market expertise and position enable us to gain a clear insight into the expected demand for our services. Our challenge remains to proactively capitalize on market trends in shaping our storage service offering. We do so by providing the highest quality infrastructure, expanding existing terminals, constructing terminals at strategic locations offering deep-water access and never ceasing to improve our operational efficiency (e.g. by realizing short vessel and truck turnaround times).

#### **Expansion of our global terminal network**

In 2009, our storage capacity increased by 1.2 million cbm to reach a total of 28.3 million cbm. Commissions included new capacity in Singapore, the Bahamas, Rotterdam Botlek (Netherlands), Tallinn (Estonia), and other locations. Storage capacity under construction through 2012 now totals 3.0 million cbm. Major expansion projects include the Europoort terminal in Rotterdam (Netherlands) and terminals in Zhangjiagang (China), and Barcelona (Spain). New terminals are under construction in Amsterdam (Westpoort terminal) and Rotterdam (Gate terminal) (both in the Netherlands), Jakarta (Indonesia), and Mejillones (Chile).

#### **Flawless execution of our customer service**

We decided in 2009 to put a further step on the road towards continuous improvement of our services. We are now aiming for flawless execution in matters that are of critical importance to our success. In doing so, we wish to add value for our customers. This should guide everyone's commitment, across the Vopak network. Not only do we want to be the world's best provider of storage services, we also aspire to be the most valued partner to our customers. Based on flawless execution, we offer our customers a yet higher service level, while making our cost management more efficient. Our efficiency program, which is based on

Lean, reduces all activities and hours spent that do not add value for customers. This facilitates an optimal service provisioning and further growth of our company.

#### **Sustainability as a profitable exercise**

Sustainability has traditionally played an important part in our business operations. For Vopak, sustainability refers, among other things, to its attitude towards soil, air, and water, but also its sustainable partnerships with its customers. In operational terms, doing business in a sustainable manner means being profitable with no incidents or waste, while minimizing nuisance caused to local communities and surroundings in which we operate. Based in part on the Vopak Values, we assume our corporate social responsibility by providing support to the communities in which we have a presence. A study carried out by the Dutch ministry of Economic Affairs acknowledged our aspirations, placing us several rungs higher on the '2009 Transparency Ladder.'

#### **Our people are our biggest asset**

Over the period from 2002 through 2009, together, we positioned the global Vopak network such that it satisfies our customers' requirements to an even greater extent, thereby causing it to stand out from the competition. This fills our employees with pride, which is reflected in the dynamism, commitment, and fun they demonstrate when working in our company, as well as in our attractiveness in the labor market.

In our business model, many decisions are made on the interface between our services and our customers. We train the best people to make such decisions, supporting them with tools and investing in their knowledge and capabilities. Furthermore, we ran a number of projects and campaigns in 2009 in the area of health, safety, and the environment, seeking to safeguard the well-being of our employees, subcontractors and third parties at our terminals and their surroundings.

In the area of safety, we unfortunately failed to achieve our ambitious targets. In 2009, we regrettably experienced a fatal accident involving an employee of a subcontractor at our terminal, which is under construction in Jakarta. This underscores the need for an unremitting focus on and investments in safety.

More than ever before, Vopak committed itself to achieving customer excellence in 2009. It did so both directly, by encouraging employees to think and act from a customer perspective more, and indirectly, by granting them opportunities for self-development in this area. After all, personal development generally increases job satisfaction. Moreover, as a learning organization, Vopak encourages its people to take more responsibility and learn from their own actions. Learning networks offer colleagues in various locations and in various positions the opportunity to share their knowledge and best practices with others. In providing Vopak Leadership Fundamentals, we seek to broaden and deepen our managers' leadership skills. We started

preparations in 2009 for implementing an improved approach to performance management in 2010. With the support of information systems, this will enable us to respond faster and more effectively to the demand for specific expertise and to changes in our business environment.

### **Ten years and beyond...**

In November 2009, Vopak held limited celebrations marking the 10th anniversary of the merger of Koninklijke Pakhoed N.V. and Koninklijke Van Ommeren N.V. With a history that goes back four centuries, our corporate tradition has always been to satisfy our clients' requirements, with a clear focus on a single but crucial part of the logistics process to provide our customer flexibility and cost efficiency.

In the years ahead, we will seek to grow and perfect our company in keeping with our three-pronged strategy, which aims to achieve growth leadership, customer leadership, and efficiency leadership. We will do so by expanding our global network, increasing the service level across our network, continuing our investments in sustainability, taking further action in the area of safety, and improving our operations in terms of cost efficiency. As any professional athlete will tell you: good is just not good enough. Our aim is flawless execution of the services our customers request from us. Although the basis is robust, we should always do better, be faster and act more resourcefully. We look to the future with confidence.

On behalf of the Executive Board, I wish to thank all of our colleagues for their hard work. I also thank our customers, collaborative partners and shareholders for their support and confidence.

—

**John Paul Broeders**

Chairman of the Executive Board

Koninklijke Vopak N.V.

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# Report of the Supervisory Board

## Financial Statements

It is our pleasure to present the 2009 consolidated financial statements of Royal Vopak as prepared by the Executive Board. The financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union. The financial statements have been audited by the external auditors, PricewaterhouseCoopers Accountants N.V., and discussed with them on the basis of their report. The unqualified auditors' report is included on page 153. We approved the financial statements at our meeting on 11 March 2010 and recommend that you adopt them during the Annual General Meeting of Shareholders of 27 April, 2010.

We concur with the proposal of the Executive Board, after the distribution of EUR 2.8 million on the financing preference shares in Royal Vopak, to distribute EUR 1.25 per share as dividend in cash to holders of ordinary shares, resulting in a gross amount of EUR 79.9 million and to add the remaining EUR 167.7 million to Other reserves.

## Corporate Governance

In consultation with the Executive Board, we submitted the corporate governance structure and the corporate governance policy and a limited number of deviations from the best practice provisions of the Dutch Corporate Governance Code (the 'Code') for discussion during the Annual General Meeting of Shareholders in April 2008. The main points of Vopak's corporate governance structure are set out in a separate section of this Annual Report. The Corporate Governance structure and policy on this matter will be discussed during the Annual General Meeting of Shareholders to be held on April 27, 2010 as part of the consultation of this Annual Report. This report on the activities of the Supervisory Board in the past year and in the period up to the publication of this Annual Report has been prepared in accordance with the provisions of the Code, which has been amended and updated on December 10, 2008.

## Supervision

The Supervisory Board met on six occasions during the year under review. None of the Supervisory Board members was frequently absent from the Supervisory Board meetings.

As part of the Supervisory Board's supervision responsibilities, the operational and financial objectives of the company were discussed at regular scheduled meetings. Safety, Health, Environmental and Sustainability issues were among the topics discussed during each of these meetings. Other topics discussed regularly and in depth included the strategy of Vopak, the budget, financing

of the company including the issuance of new financing preference shares, setting up new financing programs in Asia and the US (the Asian Private Placement as well as the US Private Placement, respectively), interest rate and foreign currency policy and internal and external quarterly, half-year and annual financial reports. Continued attention was given also in 2009 to the impact on Vopak of the turmoil on the financial markets and the possible effects of an economic downturn. The Supervisory Board also considered the progress being made on ongoing projects and the launch of new projects. The various investment proposals relate to expansion and Greenfield projects in nearly every part of the world where Vopak operates. The safety performance and cost control programs of inter alia the Chemicals Europe, Middle East & Africa division were discussed. The competitive position of Vopak was discussed as well as the possibilities of continuing growth of the company in a changed market environment. The external auditors were present during the meetings on the annual results and the unaudited half-year results. The interim report and auditors' report issued by the external auditors were also discussed during those meetings. The minutes of all the meetings of the Audit Committee were also considered and discussed in subsequent meetings of the Supervisory Board. In addition to reviewing the HR Policy and Insurance Policy of Vopak, the Supervisory Board discussed the results of the Executive Board's review of the design and operation of the company's risk management and control systems. At a meeting not attended by Executive Board members, the Supervisory Board discussed the proposals of the Remuneration Committee, its own performance and that of the Executive Board. The Supervisory Board also considered its required profile, composition and competencies.

## Core Committees

During 2009, the Supervisory Board had an Audit Committee, a Selection and Appointment Committee and a Remuneration Committee. The composition of these committees is given on pages 159 and 160 of this Annual Report.

## Audit Committee

The Audit Committee met on five occasions in 2009. All of these meetings were attended by the external auditors. A core task of the Audit Committee was an extensive review of the financial reports and the budget before their consideration by the full Supervisory Board. The Committee also discussed the financing structure, analyses of the financial ratios, currency management, reports on the risks associated with the company's operational, commercial, financial and other activities and management reporting. Particular attention has been given to pension issues. Vopak's fraud reporting procedure



has also been reviewed and discussed as well as the investment proposal process. A presentation was given by the Corporate Tax Director about the Vopak Tax Strategy. The Corporate Insurance Director gave a presentation on the Vopak Insurance Policy. The Audit Committee also considered the findings of the Internal Audit department, the progress realized by management teams to implement recommendations from audits and the Internal Audit work plan and approved the update of the Internal Audit Charter. The Committee also discussed the scope of the audits, recommendations in the management letters and the current and future relationship with the external auditors. The Audit Committee monitored auditor independence when non-audit services were provided. In compliance with the Code one meeting was held with the external auditor without presence of the Executive Board members. Finally, the Audit Committee assessed its own performance throughout the year and its regulations. During 2009, Mr Cremers again acted as financial expert as meant by the relevant best practice provisions of the Code. Mr R.G.M. Zwitserloot joined the Audit Committee as member as of October 1, 2009, following approval from the Annual General Meeting of Shareholders of April 23, 2009. The Audit Committee consisted as from this date of the Chairman, Mr Cremers, Mr Van der Vorm and Mr Zwitserloot.

#### **Selection and Appointment Committee**

The Selection and Appointment Committee met on two occasions, when the profile, in particular within the context of the new Code as published on December 10, 2008 as well as the composition of the Supervisory Board were discussed. Vopak strives towards having a Supervisory Board of six members. Currently, the Supervisory Board has five members. Vopak has started the process to nominate a new member of the Supervisory Board and expects to be able to announce the nominated candidate in the course of 2010. The Supervisory Board decided to change the composition of the Audit Committee. As from October 1, 2009, Mr Zwitserloot is member of the Audit Committee. In addition, the Selection and Appointment Committee initiated the search for a new Executive Board member of Vopak and successor of Mr De Koning, whose current term will expire on April 27, 2010. The Supervisory Board is pleased to have been able to announce on 22 December, 2009 that Mr F. Eulderink has been selected as nominated member of the Executive Board. Mr Eulderink will start his activities for Vopak on January 11, 2010. His formal appointment as member of the Executive Board will be on the agenda of the upcoming Annual General Meeting of Shareholders of April 27, 2010.

#### **Remuneration Committee**

We set out below the way in which the Remuneration Committee implemented the remuneration policy for the Executive Board in the financial year 2009 and how we intend to implement the remuneration policy for the Executive Board in 2010.

#### **Remuneration policy 2009**

The Remuneration Committee met on seven occasions in 2009. The composition of the Remuneration Committee changed in 2009. Mr Van Loon was suddenly unable to fulfil his duties for health reasons. We owe a debt of gratitude to Mr Van Loon for his commitment and for the sound foundation he laid over the past few years for the present remuneration policy. On 20 April 2009 Mr Van den Driest (who was previously a member of the Committee and, hence, did not need to familiarize himself with the various subjects) succeeded Mr Van Loon as the Committee's Chairman. In part prompted by the recommendations set out in the Dutch Corporate Governance Code, the Committee was assisted by an external consultant in 2009.

In its meetings, the Remuneration Committee discussed the annually recurring subjects, such as salaries and short-term and long-term variable income. In addition, a number of subjects were given additional attention in 2009. First, the composition of the peer group used as an external benchmark in setting the remuneration of the members of the Executive Board was discussed. Dutch companies similar to Vopak in terms of international coverage, capital intensity, revenue, profitability, and market capitalization were selected. This peer group consists of the following ten companies: Arcadis, Boskalis, Corio, Draka, DSM, Fugro, Imtech, Nutreco, SBM Offshore, and Smit Internationale. Second, at the suggestion of the General Meeting, preparations were made for introducing a new long-term variable income policy that would have a much simpler structure compared with the long-term plan used in previous years. Third, the effectiveness of the financial criteria and the level of the targets set for the short-term and long-term variable income were important areas of attention in 2009.

In chronological order, the Remuneration Committee discussed the following subjects in 2009. Proposals on these points were developed and submitted to the Supervisory Board for approval.

The following fixed gross annual salaries were set for the 2009 financial year (in EUR):

In EUR	Broeders	De Koning	De Kreij
Annual salary for 2009	500,000	400,000	425,000
Annual salary for 2008	475,000	388,000	418,000

In setting the salaries, the determining factor was that, together with the other remuneration components, they should adequately remunerate Vopak's Board members for their work and responsibilities.

Subsequently, the short-term variable income plan for 2009 was adopted. The 2008 plan was continued, subject to two modifications. First, ROCE as a financial target was dropped, given its sensitivity to delayed execution of investment projects, maintaining earnings per share (EPS) growth only in view of its simplicity and alignment with the shareholders' interests. Also, the maximum short-term variable income opportunity for the chairman of the Executive Board was raised from 70% to 75% to make the short-term variable income component more competitive. Percentages for the short-term variable income opportunity of the other Executive Board members remain unchanged. The personal objectives were then determined and aligned to the realization of strategic projects and our sustainability policy.

Financial targets for the 2009 financial year were set for both the short-term and the long-term variable income plans. In setting these, various economic scenarios were drawn up and their impact on the company's growth and financial position was analyzed.

In its meeting of 23 April 2009, the Annual General Meeting broadly supported and endorsed the policies pursued, while expressing the wish that the long-term variable income plan, in particular, be simplified.

After the long-term variable income plan, consisting of the Performance Shares Plan and a Share Matching Plan, had been adopted for 2009, a conditional grant of performance shares was made to the members of the Executive Board for the period 2009 to 2011. Depending on growth in earnings per share during the period 2009 to 2011, Vopak will in 2012 unconditionally grant between 0% and 150% of the number of shares conditionally granted, up to a maximum of 35,868 shares.

As part of the Share Matching Plan, the Board members were granted the opportunity to supplement their personal share deposit. All three members purchased shares at their own expense and supplemented their deposits up to their target level, which is one year's salary for an individual member, expressed in shares. Depending on growth in earnings per share during the period 2009 to 2013, Vopak

will match the shares contributed by the Board members in 2014 in the range from 0% to 200% of the contributed shares, up to a maximum of 56,158 Vopak shares.

A detailed overview of long-term variable income and the measurement of plans currently outstanding is given in Notes 28 and 32 to the company's financial statements.

In early 2010, the results of the financial and personal objectives for the short-term variable income for 2009, predetermined in accordance with the remuneration policy for 2009, were evaluated. The earnings per share rose from EUR 3.24 to EUR 3.84 which led to the maximum result achievable for the financial objective. On average, achievement of the personal targets was considered good. On aggregate, achievement of the financial and personal targets resulted in the following short-term variable income.

In EUR	Broeders	De Koning	De Kreij
Short-term variable remuneration for 2009	343,750	247,500	262,969

### Remuneration policy in 2010

In the second half of 2009, the Remuneration Committee re-evaluated the remuneration policy for the Executive Board. A key criterion for this was consideration of the entire remuneration package for the Chairman and members of the Executive Board against the background of the challenges the company faces in the next few years. The overall remuneration package consists of the annual salary, short-term and long-term variable income, and annual pension contribution.

To obtain a clear view of whether the overall remuneration package was in line with the market, an analysis was made of the remuneration packages of board members in the peer group and publications of Hay Group and Towers Watson were used. The median of the peer group was taken as a reference in setting the remuneration of Vopak's Board members. The outcome of these analyses was an important basis for salary proposals and variable short-term and long-term income plans for 2010.

In April 2010, the Annual General Meeting will be requested to approve amendments to the remuneration policy concerning changes to the variable income plans. The proposed changes will make the remuneration package more competitive and simplify the various plans. An important criterion is and will be that the Executive Board is encouraged to pursue a policy that focuses on long-term profitable growth for the company and is rewarded for that policy if successful. With respect to the short-term variable income plan, non-financial targets will be introduced in 2010, focusing on such aspects as sustainability, safety, and customer and employee



satisfaction, in addition to the financial EBITDA target. In order to reiterate the importance of these aspects, the individual targets for the Executive Board will be replaced by team targets.

With regard to the long-term variable income plan, a new plan will be introduced in 2010 to replace the current plan comprising a Performance Share Plan and a Share Matching Plan. The new plan will be awarded once every four years and will replace both partial plans from 2008 and 2009. The new plan will provide for a reward of which 50% will be in shares and 50% in cash. The value of the reward will depend on growth in earnings per share and share price developments during a four-year performance period (2010 through 2013). Upon awarding this reward, the Board member must hold the obtained shares in an individual deposit for two years after which period the shares will be for his own disposal. It has been agreed that the present long-term plans will be continued and awards will be made following the plan periods originally set.

### Supervisory Board 2010

The remuneration of the chairman and members of the Supervisory Board, like that of the Executive Board, has to be in line with the expected work and increasing responsibilities. In 2009, the Annual General Meeting adopted the remuneration for the 2009 financial year as set out below, and resolved that no changes would be made in it for the 2010 financial year.

### Gross remuneration

In EUR per year	Chairman	Members
Supervisory Board	60,000	42,500
Audit Committee	10,000	6,000
Remuneration Committee	7,500	5,000
Selection and Appointment Committee	5,000	3,500

Taking into account that the recommendations set out in the Dutch Corporate Governance Code with respect to a company's former board members acting as chairman of certain sub-committees, the Supervisory Board will review the Remuneration Committee's Chairmanship in 2010.

### Composition of the Supervisory Board

Mr Van Loon had to withdraw from the Supervisory Board on 17 March 2009 for health reasons. We thank Mr Van Loon for his valuable contributions over the years and wish him well for the future. Mr R.G.M. Zwitterloot was appointed by the Annual General Meeting of Shareholders of April 23, 2009 as member of the Supervisory Board effective as of October 1, 2009. Mr Van den Driest was appointed Chairman of the Remuneration Committee as per April 20, 2009. Mr Van den Driest succeeded Mr Van Loon as Chairman of this Committee.

Finally, we would like to express our sincere appreciation to the Executive Board and all the company's employees for their efforts in 2009 and for the corresponding improvement in the results.

The members of the Supervisory Board have signed the financial statements in order to comply with the statutory obligation pursuant to article 2:101 paragraph 2 Dutch Civil Code. This provision provides that the members of the Supervisory Board should sign the financial statements.

Rotterdam, 11 March 2010

### The Supervisory Board

A. van Rossum (Chairman)  
M. van der Vorm (Vice-chairman)  
F.J.G.M. Cremers  
C.J. van den Driest  
R.G.M. Zwitterloot







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# Report of the Executive Board

## Vopak in strategic perspective

### Mission Statement

Vopak aims to be the world's most respected independent storage provider for bulk liquids. Our aim is to contribute to optimizing the reliability and efficiency of our customers' regional or global supply chain processes by using our network of storage terminals around the world, our hundreds of years of experience, our partners, our logistics and storage know-how and our solution-driven and agile attitude. In creating this value, our ultimate goal is to gain the recognition of our customers, employees, shareholders and business partners. We aim to reduce the intensity of the use of raw materials at the terminals as well as energy and water consumption, and to curb emissions and spills to soil, air and surface water.

Vopak's ambition is to excel in a strongly rooted culture of safety, flawless execution and operational excellence. We believe that we can only achieve this ambition by acting according to the Vopak Values. These seven values address the economic, social and environmental responsibilities as a code of conduct by acting with integrity, professionalism, improvement, ownership, service, passion and agility.

### Embarking on a solid course

As a terminal operator, Vopak focuses on facilitating physical, liquid and gaseous product flows from global and regional oil and chemical companies. We have a clear, market-driven strategy based on successfully supporting our customers by offering excellent services and by being resourceful and considered in seizing opportunities, particularly in how we operate and expand our network. In addition to our global network of storage terminals, our people are at the heart of our business.

This strategic decision has enabled us to achieve our ambitious growth targets. In the past year, in which the economic picture has been uncertain, the course we have charted has proved to be a very robust one. We have been able to respond appropriately to the volatility in the global markets and to continue to pursue a solid course. This offers a robust reference framework for our customers, shareholders and employees.

### Leadership on three fronts

Our strategy rests on three pillars. We seek to achieve customer leadership, efficiency leadership and growth leadership. This report is an opportunity for us, the Executive Board, to examine the results we have achieved in these areas in 2009. We aspire to position Vopak permanently on the global market as the best tank terminal operator. Our global network offers every opportunity to achieve this. We seek to proactively support the supply chains of our business partners and to implement potential efficiency



savings. We are also open to many forms of partnership. Key to this is an ongoing dialogue with our customers and our community. We can only provide excellent customer service if we are fully aware of our customers' wishes and requirements. We also seek to achieve systematic cost efficiency and operational excellence. A sustained improvement on all fronts should lead to continuous flawless execution of all our business activities. Internal communication is just as important as the dialogue with our customers and our surroundings. Our staff should be fully immersed in our strategy and aware of the important role they play in it. The Vopak Values and the sustained improvement in our performance are guiding principles throughout the organization. The mission to involve all staff in implementing our strategy has resulted in dynamism and commitment, which is tangible in all areas of the organization and which has produced demonstrable results.

Our financial performance in 2009 is more than satisfactory and we have been able to achieve or indeed exceed our growth targets.

Over the next years, too, we will be pursuing our strategy with conviction, changing the emphasis year on year where necessary. In the remainder of this report, you will be able to find out what we have achieved in this area in 2009.

#### **The pursuit of flawless execution**

In 2009, we paid additional attention to our global pursuit of operational excellence, concentrating on flawless execution by delivering high service levels, efficient cost management, safety and growth. With our focus on the flawless execution of all our activities, we focus ourselves on avoiding any mistakes. This is an ambitious goal, which demands the full commitment of all Vopak staff. In specific operations on the work floor, flawless execution means that any accident is one too many. And the same applies to each operational incident and each spill. By preventing incidents, we are saving lives, health, time, energy and the environment, resulting in lower operational costs in the long term. Because a policy that focuses on reducing losses to zero results in satisfied customers and substantial cost savings.

#### **Looking to the future with confidence**

The outlook for the demand for our services remains good. The global imbalance in the production and consumption of oil and chemical products boosted the demand for storage services in 2009. The demand is expected to increase further. The imbalance in the supply of and demand for oil has led to a sustained and robust demand. This is not just the result of what are known as oil contango and backwardation situations, when there is a relatively short-lived increase or decline in demand for tank storage by trading companies as a result of an expected sharp rise or fall in the oil price. Furthermore, there is still a shortage of storage capacity to support all regional and global logistic flows of oil and chemical products. This means that we are confident about the long-term prospects. In addition to our focus on facilitating physical product flows, we

remain committed to searching for network expansion opportunities, particularly in locations that will benefit the most from the changing supply and demand situation.

#### **Confidence of banks and investors**

In spite of the uncertain economic situation, Vopak gained and retained the confidence of shareholders and other financial players. This was borne out by two large financing deals which we successfully concluded in 2009 to support the current and future growth of the business: a private placement of USD 680 million in the United States and a private placement of SGD 210 million in Asia. Loans were also entered into by various joint ventures and a group of shareholders contributed equity totalling EUR 110 million earmarked for further growth by participating in a renewed cumulative financing preference shares program.

Vopak's Executive Board is delighted to see that our long-term growth strategy, which has generated robust growth in recent years, is acknowledged and supported by a broad-based group of international institutional investors. This ensures Vopak's continuous good access to relevant capital markets.

#### **Ample opportunities for growth**

Vopak's strategy focuses on growth, customer and operational efficiency leadership. When reviewing growth opportunities, we research various expansion avenues. Without exception, in the exploratory phase, these should already be accompanied by active interest from our customers. Our growth plans consist of capacity expansion at existing locations, but we also investigate new locations where there may be a need for our services, as well as new business concepts that are consistent with our strategy. Examples include the options for an LNG terminal at Fos-sur-Mer (France), as well as a joint feasibility study into a storage terminal to be developed for oil products in Pengerang, Johor (southern Malaysia). Our current and available long-term financing facilities offer a healthy basis for further growth.

#### **Optimum service to customers is top priority**

##### **Dialogue with our customers**

In line with the three pillars underpinning the Vopak strategy optimum service to our customers is our top priority. Service is fundamentally important for our commercial strategy. A higher level of service to our customers offers Vopak the chance to distinguish itself further from the competition.

We aim to provide even better services by offering training, courses and competence management and by standardizing and improving our processes, effectively supported by efficient information systems. We are also in constant dialogue with our customers, so that we can continue to

keep improving our services supported by measurable data.

#### **Customer survey**

One of the tools we use to identify the wishes and requirements of our customers is the customer survey, which we started in 2008. A more comprehensive version of the survey was repeated in 2009. Third parties, such as shipping companies, surveyors, truck drivers and local agents were also asked for their opinions. Compared with the previous survey, the results of the 2009 survey reveal a positive trend. By feeding back the results, we have also been able to see how the best performing Vopak organizations have achieved their excellent performances. We can learn from and capitalize on these best practices in our global Vopak network as a service-oriented organisation.

#### **Continued tightening**

One element of the customer survey is the Net Promotor Score (NPS), a way of measuring the strength of customer loyalty for a business. Our score improved in 2009, but has not yet reached the level we would like. In addition, the Vopak Service Quality Index (VSQI) shows that various business processes have been tightened up in 2009. We will continue with this in 2010.

#### **Customer Relationship Management (CRM)**

We aim to apply the same instrument globally to establish what we do for individual customers, the requirements or complaints they have, how we can respond to them appropriately, how we can monitor the associated processes, etcetera. At the same time, we want to be able to steer the service-related conduct of our staff in the right direction. With the implementation of a robust CRM system last year, Vopak has further standardized the sales and service processes globally, with quality, completeness and accuracy of customer information in the spotlight. This has given the management better control information and has laid excellent foundations on which Vopak can build to further improve the services it provides.

### **From operational efficiency to operational excellence**

#### **We make the difference**

The effectiveness and efficiency of operational processes are of course high priority for a tank terminal operator such as Vopak. Streamlining operational processes with an integrated approach fosters the best possible service to our customers. A sustained focus on simplifying, improving and modifying processes promotes cost efficiency. All this facilitates growth leadership in the Vopak strategy. Ultimately, the successful implementation of operational excellence in the services we provide to our customers can make the difference with our competitors and can significantly strengthen Vopak's market position as global market leader.

#### **Sustained improvements**

To position ourselves as market leader, as a cost efficient supplier delivering added value to its customers, we aim to help make further improvements to the supply chain of our customers and partners. To achieve this, in both its culture and business operations, Vopak strives to achieve continuous improvement and innovation of its processes, not only operationally, but also commercially and financially.

#### **From OEI to Lean**

Vopak's Operational Efficiency Improvement (OEI) program was launched division-wide in 2007 to boost the cost management program. OEI projects have been carried out at 35 terminals, generating impressive results. The emphasis has always been on three interlinked areas: creating better cost awareness, reinforcing the competitive position and growing operational efficiency.

In the context of continuous improvement, Vopak wants to take an important next step in taking all operational efficiency operations to the next level. In 2009, it was therefore decided to continue on the course charted by the OEI project using Lean. This is a proven quality improvement method and philosophy to not only establish an integrated cost management program, but also achieve an integrated culture of continuous improvement (efficient and effective). The wishes of our customers are the primary focus of Lean. The global implementation of Lean will be rolled out over the next five years and will involve the entire Vopak organization: divisions, countries and terminals on the one hand and corporate positions and departments on the other. At its core, Lean focuses on reducing 'waste' in the organization - activities and pursuits that add no value for the customer. The quality increases and the costs fall in proportion to the reduction of waste. In addition to the positive impact for our customers, the continued focus on process improvement and on reducing waste is closely linked to Vopak's sustainability program.

#### **'The Vopak Way'**

Standardization is important for operational excellence. The Vopak Way involves all the global standards expected to make the business operations safer, smoother and more cost efficient. The broad-ranging package, with 75 standard procedures for operations, technology and safety, was introduced in April 2009 and was subsequently implemented across the divisions.

The Vopak Way promotes communication and knowledge sharing, given that the uniform descriptions generate a Vopak language understood by all divisions. It offers extensive opportunities for sharing and exchanging knowledge, enabling us as a learning organization to continue to develop. It also offers our customers a uniform and high-quality image of our company.

### Strategic analysis

#### Strengths

- We are the global market leader, present in all major port locations.
- We are financially robust and have access to long-term financing facilities.
- Our reputation rests on our level of service and safety record. The result is a reliable global brand.
- We operate according to a single independent business model and apply global standards.
- We are highly diversified in terms of geographies, products and market categories.
- Our portfolio of long-term contracts increases predictability.
- We are enterprising and are proactive in utilizing our opportunities without taking undue risk.
- Our close and long-term partnerships afford us excellent access to important markets.

#### Opportunities

- We can benefit from the increasing distances between locations where oil and chemical products are produced and where they are consumed.
- A number of countries are liberalizing their economies.
- Increasingly distinct market specifications are creating a need to blend components into stored products and store components for blending. This includes the growing demand for biofuels.

#### Challenges

- We still have an insufficient presence in the US and African oil markets in particular.
- The company is working to integrate its many acquisitions and mergers to create a single network of terminals operating under the same standards and using the same expertise.
- The insufficient recruitment of qualified personnel might cause delays in operating projects and therefore repress the current strong capacity growth.
- There is a scarcity of land available in strategic ports.
- Some customers in the chemical industry are suffering from the recession.
- The increased focus of the major oil companies on upstream activities and related possible closures and divestments of less efficient refineries will further shape the oil storage market.

### Sourcing as ONE Vopak

In 2009, Vopak launched its new sourcing strategy 'Sourcing as ONE Vopak'. Vopak aims 'to imprOve, buNdle and sharE' day-to-day procurement operations using this strategy. The advantage it offers is the ability to make savings on Vopak's overall discretionary expenditure over the next few years. Equally important is reducing the risks and liabilities, promoting standardization and maximizing quality, thereby achieving the lowest possible total cost of ownership. This goal requires all Vopak employees to work with the same procurement processes. The global implementation will be initiated in 2010.

### Vopak Maintenance Management

In 2009, Vopak opted to switch from different location-based maintenance management systems to a single global system. This will enable us to maintain the company's technical resources at the 79 Vopak terminals more efficiently in the long term, including in the preventative phase, so that installations and equipment are and remain in excellent condition and the continuity of the business processes is safeguarded 24/7. The decision to adopt this uniform solution offers the prospect of a strong and uniform improvement in maintenance management and also means a substantial cost saving. With the phased implementation of the Infor software package, which is internationally known as the best of breed technology, in 2009 a start had already been made on two pilot terminals, with the aim of completing the roll-out at the end of 2011. The package features advanced software modules, which allow Vopak to manage its technical resources, all information about these resources and the required maintenance operations globally in a proactive and excellent way.

### Uniform ICT infrastructure

The use of ICT facilities helps Vopak expand its leading position. All our ICT efforts seek to support the Vopak strategy, which is to create value in our ambition to achieve growth leadership, customer leadership, and efficiency leadership. One of our organization's key objectives is to optimize and harmonize our processes and systems, and ICT facilities should fit into this objective seamlessly. Standardization is an effective remedy against the current fragmentation of ICT facilities across our divisions. Having a single, smoothly operating global ICT network is an important enabler for achieving that objective. A uniform ICT infrastructure should be capable of providing ongoing support to our business processes and facilitate initiated changes. Following various organizational and infrastructure modifications, we will in the years ahead make a number of important improvements and implement new enterprise systems. Examples include the planned overhaul of the existing ERP system, the implementation of advanced terminal automation systems, and the introduction of a maintenance management system, a talent management system, and an internal web portal that will serve as a platform for sharing and enriching information.

## Strengthening our leading position at strategic locations

### The most valued and respected storage company in the world

Growth leadership is one of the three prongs of the Vopak strategy. Vopak aims to maintain and strengthen its leading position at important locations and to further intensify its commercial relationships with strategic customers. The company aims to expand its global operations and storage capacity in strategically located ports by:

- expanding existing terminals;
- developing new terminals in geographical areas where Vopak already operates;
- developing new terminals in geographical areas which are new to Vopak;
- developing terminals for new products or markets, such as for LNG and biofuels;
- effecting mergers and acquisitions.

Our main aim is to be the world's most valued and respected storage company and to become the service-driven supplier of choice for our customers, one which is difficult to match.

### Significant capacity expansion

The vigorous expansion of our financing capacity in 2009 has facilitated the further implementation of our growth ambitions as included in our global terminal network expansion strategy, supported by a healthy demand from customers and sound financial results in recent years. Our growth ambition has taken shape in several ambitious expansion projects, which are in various stages of development.

#### *Vopak Terminal Jakarta*

This modern oil storage terminal in Indonesia, the result of a joint venture between the Indonesian PT AKR Corporindo and Vopak, will have a total storage capacity of 450,000 cbm. Good progress was made on the construction of the first phase in 2009, which will generate storage capacity of 250,000 cbm. The construction of the terminal was just about completed in 2009 and it will be fully operational in 2010, making it the largest private oil storage terminal in the region.

#### *Vopak Terminal Westpoort*

The construction of the new Vopak Terminal Westpoort, with an initial storage capacity of 620,000 cbm for oil products at the Afrikahaven in Amsterdam, the Netherlands, also got off to a good start. In 2010 the construction of the second phase will start, resulting in an ultimate storage capacity to 1.2 million cbm. The port of Amsterdam, the Netherlands, is the European trading interchange for gasoline products. The first phase of the new terminal is expected to become operational in 2011.

#### *Various other capacity expansions*

In 2009, we increased our entitlement in the Maasvlakte Oil Terminal (MOT) in Rotterdam by 360,000 cbm, for which MOT will build extra capacity. Other capacity expansions

have also been agreed: at our Europoort terminal in Rotterdam (the Netherlands) 160,000 cbm will be added, in Zhangjiagang (China) a further capacity expansion of 177,000 cbm is planned and in Barcelona (Spain) 155,000 cbm.

The overview on pages 28 and 29 provides the global projects.

### LNG

Vopak aims to further diversify its core operations by entering the Liquefied Natural Gas (LNG) storage and transshipment market. Vopak is developing import terminals where liquefied natural gas is received and regasified. From here, the gas is supplied via pipelines to prominent global energy companies. This focus on the relatively clean and strategically important LNG and the construction of LNG terminals is a logical decision that is a perfect match for our core business, namely, the storage and transshipment of bulk liquids. Although many plans related to LNG are still in the research phase, market analysts are optimistic about the prospects of the operations. This is in spite of the LNG market facing oversupply in a number of regions in the coming period owing to capacity coming on stream in a period in which demand for gas is lagging due to the economic recession.

#### *LNG terminal Rotterdam: Gate terminal*

At the Rotterdam port, in a joint venture with Gasunie, one of Europe's largest LNG import terminals is being built: Gate terminal. The terminal will play an important role in the future supply of gas to the European market. Gate terminal B.V. has concluded a project financing agreement worth EUR 136 million with the European Investment Bank (EIB) and a syndicate of eight international relationship banks. The facility is an addition to the previous financing agreement of EUR 745 million, which was signed in July 2008.

The annual throughput capacity of the terminal is 12 billion cbm gas per annum (bcma), divided equally between four European energy suppliers: DONG Energy, EconGas, E.ON Ruhrgas and Essent. Long-term contracts have been signed with these suppliers. They have also acquired minor stakes in Gate terminal.

The construction of the terminal is on schedule and within budget. In 2009, Gate terminal reached its highest construction point, when the roof was added on the third and provisionally last tank at the terminal. The terminal is expected to be fully operational in the second half of 2011.

#### *LNG terminal France: Fos-sur-Mer*

In mid-2009, Shell and Vopak announced their cooperation in developing an LNG terminal at Fos-sur-Mer, in the port area of Marseille, France. Vopak is the majority shareholder with a share of 90%. Shell holds the remaining share of 10%. Fos Faster will be developed as part of the expansion strategy of the Grand Port Maritime de Marseille in close cooperation with the port authorities.

The Fos Faster LNG terminal will have a planned initial throughput capacity of 8 bcma, which is equivalent to 15% of the current annual gas consumption in France. Depending on market demand and the permits and approval procedures, the terminal could be operational in the middle of this decade.

#### *LNG projects at Eemshaven and Rostock*

Vopak LNG is also participating in projects at Eemshaven (the Netherlands, 25%) and Rostock (Germany) to investigate the options for developing LNG terminals at these sites in the longer term.

#### **Independence and size offer competitive advantages**

Boasting a total storage capacity of more than 28 million cubic metres (cbm), Vopak is by far the world's largest independent supplier of tank terminal storage. We currently estimate the world market for independent tank storage to be approximately 245 million cbm, giving Vopak a 11.6% market share.

Our company faces competition from many companies, most of which are locally or regionally focused. Many operate other businesses besides storage, such as shipping, pipeline operations or trading. Almost all producers use local storage only for their own captive use and do not provide tank capacity to third parties. For that reason, we do not include these production storage facilities in our definition of the market.

Vopak has the largest spread of terminals in the world and operates these independently. Our size and independence offer obvious competitive advantages. We can focus fully on our customers' interests while utilising our scale to bring cost efficiency to our customers and other stakeholders.

### **Sustainability as a guiding principle**

#### **Responsible for people, planet and profit**

Our pursuit of sustainability is based on the belief that it is the responsibility of each citizen and organization to do everything possible to protect the environment. The Vopak Values are also a clear benchmark. Doing business with sustainability in mind is also sensible from a business perspective. We can only retain our competitive edge if we dedicate ourselves fully to our customers, our people, our services, the environment and the local communities in which we work. In its sustainability approach, Vopak follows the 3-p model of people, planet and profit. We also have a responsibility to local communities, our people and the planet.

Vopak aims to reduce the intensity of the use of raw materials, energy and water and to curb emissions and spills to soil, air and surface water. In addition, we want to minimize the negative impact and maximize the positive impact in the communities in which we operate.

As a leading service provider in the field of conditioned storage and transshipment, Vopak has a responsibility towards investors, employees and business partners to act morally and ethically in all the facets of its operations, anywhere in the world. Integrity is the main factor in establishing and maintaining our reputation and in providing high-quality services to our customers. To Vopak, its reputation is just as valuable as its staff, its installations and services. The Vopak business principles, based on integrity, are set out in Vopak's Code of Conduct.

In 2009, we issued our first annual Sustainability Report, which covers 2008. An updated version will be published every spring.

#### **Adding sustainable value**

For Vopak, sustainability means a profitable operation that generates added value for our stakeholders without having an unacceptably negative social or environmental impact. Vopak also considers the Safety, Health, Environment and Quality (SHEQ) policy to be part of a more comprehensive sustainability strategy.

To document its sustainability performance and to make it transparent, Vopak adopts the internationally recognised guidelines of the Global Reporting Initiative (GRI). The GRI guidelines have been drawn up to promote transparent, verifiable financial, economic, social and environmental reporting. More information about our sustainability policy can be found in the section on Corporate Social Responsibility on page 30 and on the Vopak website.

#### **Opportunities for the future**

Vopak collaborates with customers and suppliers for the long term. We aim to be the supplier of choice for our customers by our high-quality service offering and our performance and initiatives in the area of sustainability. Sustainability offers opportunities to reduce current and future operational and development costs for the business and helps to improve our competitive advantage, market position and profit. A coherent sustainability strategy reduces the risks of rising costs associated with negative internal events (spills, incidents, etc.) or external events (by action groups, legislative changes, etc.).





## Growth Perspective

Location	Country	Ownership	Type	Products	CBM
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### Asia

Lanshan	China	41.7%	Expansion	Chemicals	3,700
Banyan	Singapore	69.5%	Expansion	Chemicals	7,500
Jakarta	Indonesia	49%	Greenfield	Oil products	250,000
Zhangjiagang	China	100%	Expansion	Chemicals	75,300
Ningbo	China	37.5%	Expansion	Chemicals	5,500
Zhangjiagang	China	100%	Expansion	Chemicals	102,000
Caojing	China	50%	Expansion	Chemicals	30,000

### Latin America

Alemoa	Brazil	100%	Expansion	Chemicals	37,200
Coatzacoalcos	Mexico	100%	Expansion	Chemicals	8,400
Mejillones	Chile	50%	Greenfield	Chemicals	10,000
Aratu	Brazil	100%	Expansion	Chemicals	26,300

### North America

Deer Park	United States	100%	Additional jetty		
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### CEMEA

Barcelona	Spain	50%	Expansion	Oil products	155,200
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### OEMEA

Hamburg	Germany	100%	Expansion	Chemicals	8,900
Gothenburg	Sweden	100%	Expansion	Oil products	20,000
Rotterdam	The Netherlands	100%	Expansion	Oil products	360,000
Rotterdam	The Netherlands	100%	Expansion	Oil products	160,000
Amsterdam	The Netherlands	100%	Greenfield (phase 1)	Oil products	620,000
Amsterdam	The Netherlands	100%	Greenfield (phase 2)	Oil products	570,000

### LNG

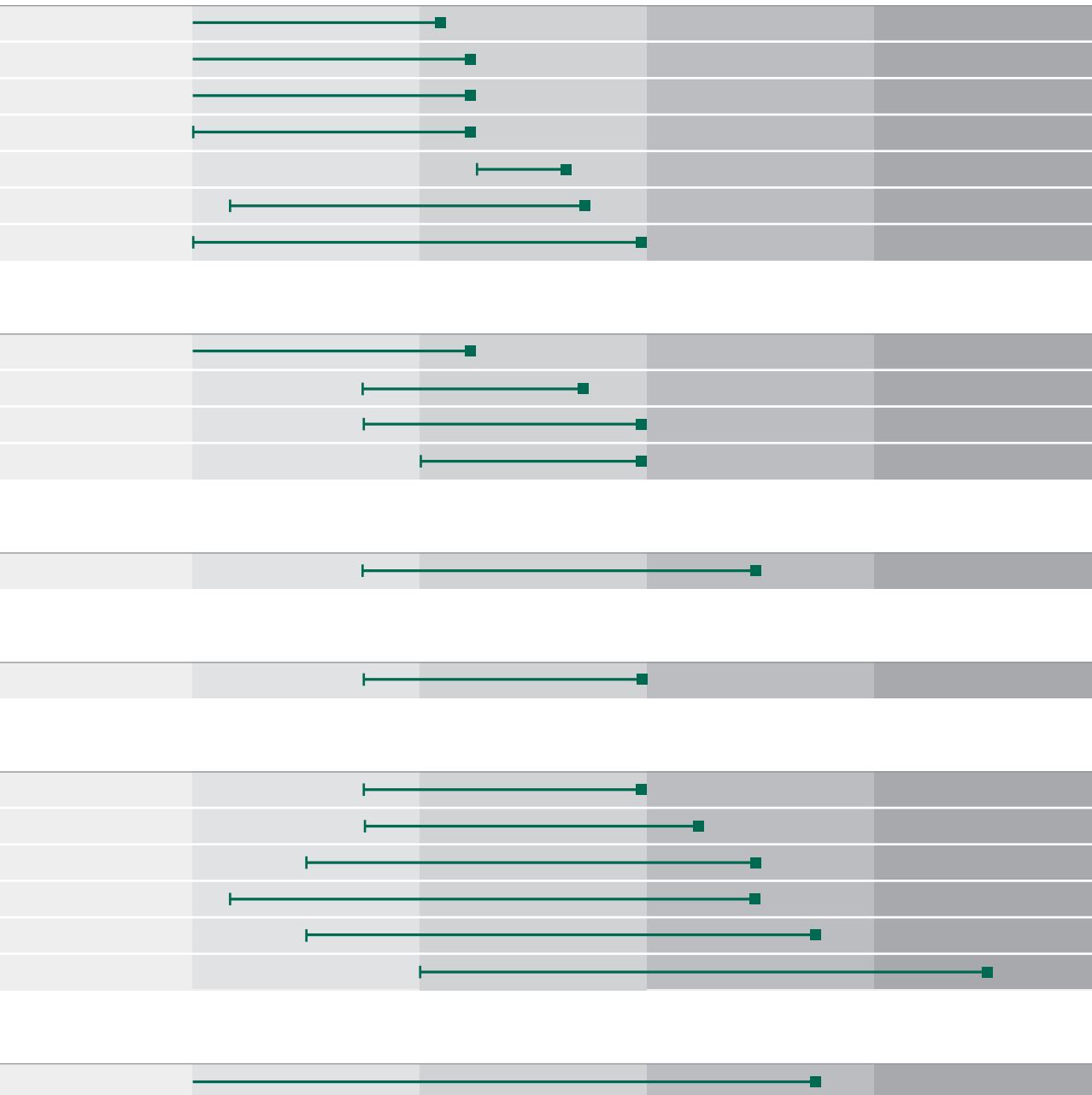
Rotterdam	The Netherlands	40%	Greenfield	LNG	540,000
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2009

2010

2011

2012

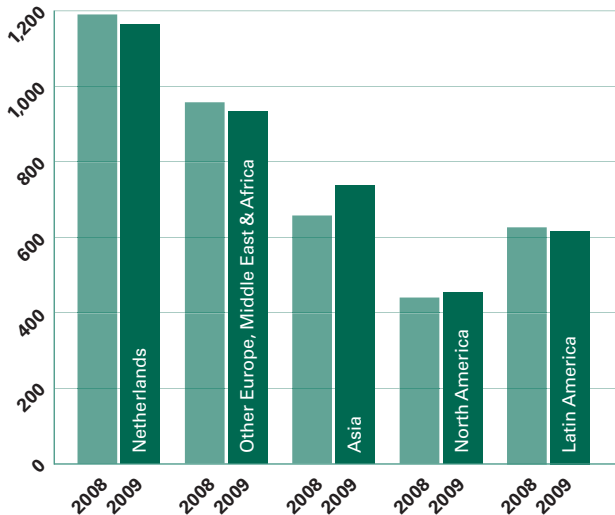


└ start construction  
■ commissioned

## Corporate social responsibility

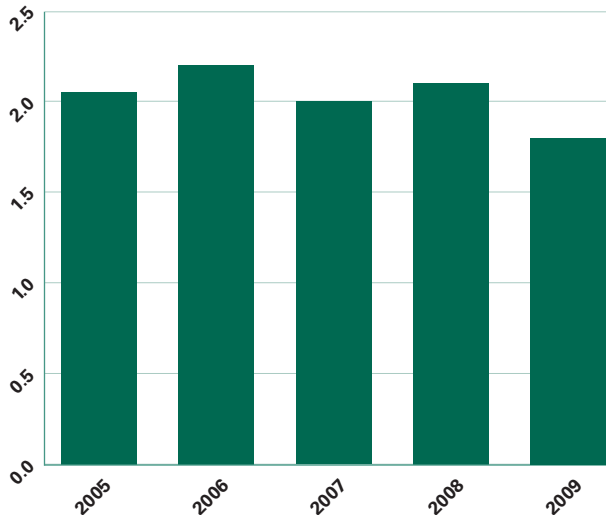
### Employees subsidiaries by region

Average over the year



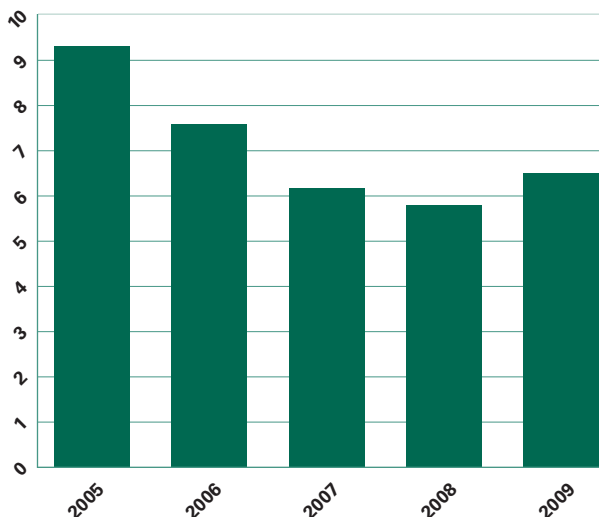
### Sickness absenteeism

As a percentage



### Safety own employees (Total Injury Rate)

Total Injuries per 1 million hours worked



To us, corporate social responsibility means sustainable entrepreneurship in every possible respect. It means that we use the resources the company depends on economically, ensuring that they are preserved for future generations. By definition, any sustainable company always sets its sights on the longer term. Vopak has a long tradition of sustainable entrepreneurship. For four centuries, Vopak has been an integral part of the surroundings in which it operates. During that long history, we have consistently developed ourselves into a globally operating corporation. And wherever we go, we seek to forge long-term relationships with our people, our partners and the world in which we live. Every time we set up somewhere, we enter into commitments for many decades. And we do so for a reason. We assume responsibility towards our people, our stakeholders and our business. But no less towards our surroundings and the environment, ensuring that everyone benefits in every possible way.

In fulfilling our objective to do business in a sustainable manner, we apply the 3P model of people, planet and profit, looking to strike the perfect balance between the 3 Ps. Given the nature of our operations, we address some aspects of sustainability rather more sweepingly, however. As we store and tranship upwards of 100 million tonnes of oil and chemical products annually, we have no choice but to focus specifically on safety. In doing so, we distinguish between personal safety and process safety. For many years, we have pursued a proactive Safety, Health and Environment (SHE) policy, supported by such initiatives as the annual global SHE day.

### Transparency based on GRI guidelines

As our overarching Vopak Sustainability Strategy is rolled out in phases throughout the Group, SHE policies are increasingly embedded into it. Furthermore, Vopak wishes to be unequivocal and transparent towards its stakeholders concerning the sustainability policy it pursues, its results and Vopak's own aspirations. To record and provide further insight into its performance in the field of sustainable entrepreneurship, Vopak adheres to the internationally recognized guidelines issued by the Global Reporting Initiative (GRI). They were prepared to promote uniform, measurable reports globally in the financial, economic, social and environmental areas.

### A first step

We have based our interpretation of people, planet and profit, and our acknowledgement of their interdependence, on fifteen selected GRI Key Performance Indicators (KPIs) that we report on. They express the performance in areas relevant to Vopak, and for which reliable information is available internally. For now, the KPIs address economic, environmental and social performance areas as a first step towards comprehensive sustainability reporting. In the longer term, we aspire to scale up the fifteen GRI KPIs to a higher level. For we are convinced that, in the end, applying



the principles of sustainable entrepreneurship will result in high-quality services together with a reduction in avoidable costs.

### Win-win situation

In launching its new sustainable development policy, Vopak has taken a great leap into the 21st century. Sustainability, the single most important theme of the century, requires large-scale application in practice. We wish to demonstrate our industry leadership in the area of sustainable entrepreneurship, too. To Vopak, seeking to do business in a sustainable way means creating a win-win situation that adds value for all our stakeholders and has no unacceptable impact on society and the environment, i.e. conducting operations in a climate-neutral manner. Our customers prefer to do business with suppliers able to guarantee superior quality and a high degree of process safety based on sustainable operations.

### People

Vopak invests in long-term relationships with employees and offers them a work environment that appeals to their talents and skills. Additionally, we seek to forge strong relationships with our employees by giving ample attention to matters they consider important in their work. Examples include job satisfaction, personal development, competitive terms of employment and a good balance between work and private life.

Vopak's entrepreneurial corporate culture is one of its distinctive features. It is characterized by clear targets and performance measurement as well as by informal dealings with employees. The Vopak spirit, the loyalty and the enthusiasm pervade the entire business, even when there are so many different nationalities. We take pride in these valuable elements of our corporate culture and will do everything to maintain and strengthen them.

Vopak endorses the principles of the United Nations' International Labour Organisation (ILO), as well as the United Nations' Universal Declaration of Human Rights. It has set out these and other principles in the Vopak Code of Conduct, which was expanded in 2009. This has widened the scope for applying our principles to include subsidiaries, joint ventures and associates, as well as contractors, suppliers and other partnering parties as part of our supply chain responsibility.

### Local projects

When practising corporate social responsibility, Vopak implements a range of projects benefiting local communities across the globe. They vary from educational projects for local communities to creating or improving infrastructure near our terminals. We consider maintaining pleasant relationships with those living close to our terminals a self-evident necessity.

### Safety and absenteeism

Vopak has a long track record in providing programs, procedures and training aimed at guaranteeing our

employees, contractors and neighbors a safe working environment.

A company-wide survey among employees into their job satisfaction showed a high degree of commitment and enthusiasm. Our corporate strategy is understood and welcomed by a large proportion of our employees. We are delighted about our low average absenteeism rate, which in the year under review showed a further decline to 1.8% (2008: 2.1%).

### Prevention

Safety has been and always will be a top priority in everything we do. Accordingly, preventing accidents and incidents from happening is our primary concern. The lost time injury rate (LTIR) for our staff and contractors combined improved to 1.4 per million of hours worked (2008: 1.7). The number of accidents related to the number of hours worked by employees (TIR) unfortunately showed a rise to 6.5 accidents per million of hours worked in 2009 (2008: 5.8). For this reason, a great deal of attention was devoted to prevention during the annual global SHE day. The need for prevention was tragically underscored by a fatal accident involving a subcontractor working on the construction of the terminal in Jakarta in the year under review.

### Planet

Vopak operates 79 terminals in 31 countries, concerning thousands of people and large plots of land. This brings with it responsibilities for the surroundings, not just with respect to soil, water and air, but also towards the local communities and neighbors. Vopak aims to be a reliable neighbor.

Our objective is to prevent product spills and, where possible, further reduce emissions, including those of gas and odour. In pursuing this objective, we consistently adhere to guidelines set out in operating licences, legislation and our own global standards. Vopak acknowledges that taking measures aimed at curbing emissions may sometimes be in conflict with energy consumption, as some environmental measures require the use of energy. We aim to strike the perfect balance in this respect.

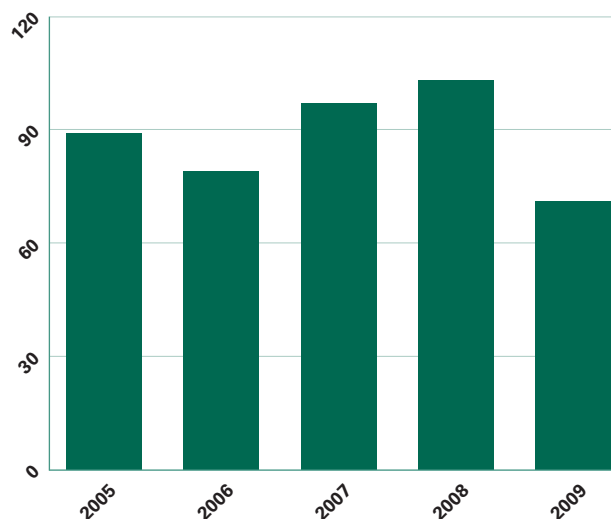
### Standardization

We are standardizing our approach globally and are mapping out the impact our operations may have on the environment. This helps us address the question of how to maximize our management of that impact, including our operations' carbon footprint. We have entered into a commitment to develop a sound waste management system and maximize our reduction in energy consumption, soil contamination, air and surface water pollution and water consumption to stimulate biodiversity on and around our terminals.

### Product spills

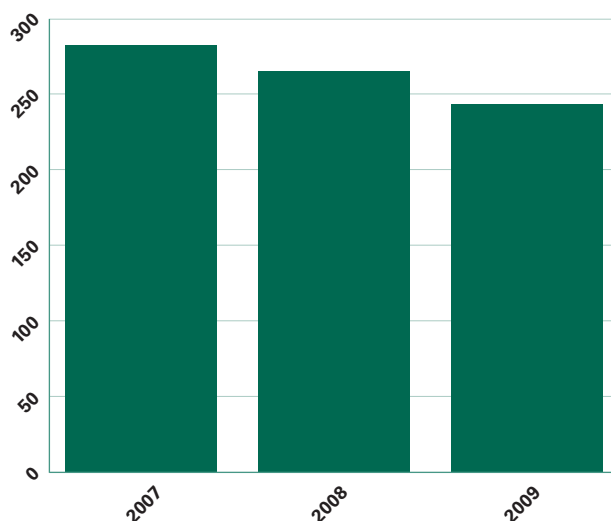
The number of spills that occur at our tank terminals is an important measure of our safety and environmental care. Following increases in previous years, the number of spills fell significantly in 2009, to 71 (2008: 103). The volume

#### Number of spills reported



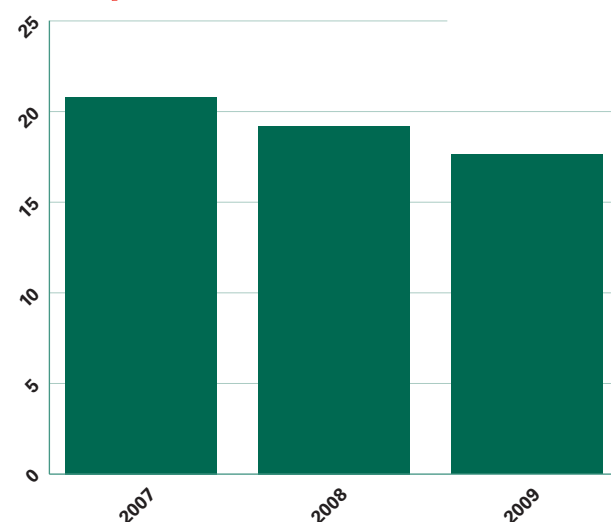
#### Direct and indirect energy use of subsidiaries

Total energy in megajoule per cbm storage capacity



#### Direct and indirect carbon emission of subsidiaries

Kg CO<sub>2</sub> per cbm storage capacity



of the spills decreased likewise. In the year ahead, we will relentlessly pursue the global implementation of our standards, as well as taking preventive measures.

#### Carbon emissions

As part of our sustainability policy, we extend the scope of our reporting to include energy consumption - both direct and indirect consumption - and carbon emissions. While we hardly generate CO<sub>2</sub> from operating processes, the energy we use during our processes does. Energy is used mainly for pumping, heating and cooling the products we store in our tanks. In addition, we use energy to treat waste water and to power systems that capture vapors.

We have observed decreases both in energy consumption and in CO<sub>2</sub> emissions per cubic meter of storage capacity. They result from our greater efforts aimed at working more energy-efficiently, which we will continue in the years ahead.

#### Profit

Stakeholders increasingly judge a company on whether it presents itself as sustainable, assuming corporate social responsibility. This means that sustainable operations, besides generating the financial profits required to continue as a going concern, also generate intangible gains. It also provides us with the opportunity to distinguish ourselves from the competition. Expectations are that sustainable companies in particular will be successful in the 21st century.

Our business operations are geared towards long-term trends. For this and other reasons, Vopak's investments target sustainable activities that ensure profitability for many

#### Our aspirations for energy, water and waste

Vopak aspires to curb its own energy and water consumption, reduce its emissions to soil, air and surface water and minimize waste in the broadest sense of the word.

For 2010, we have set ourselves the target of reducing CO<sub>2</sub> emissions per cubic meter of storage capacity by 5%.

As part of our waste reduction efforts, we have launched a pilot project for waste flows at two terminals. The aim is to make a clear distinction between waste prevention and reuse, and land filling. If the project shows that significant reductions can be made, we plan to roll it out across other terminals.

A further initiative that will be launched in 2010 concerns water management issues at our terminals. As part of our water consumption reduction efforts, we have started mapping out our water flows (consumption and production) at each terminal. The aim is to make a clear distinction between clean water and contaminated process water, in order to treat the latter in state-of-the-art plants. A start will be made at our largest terminals, such as those in the Bahamas and Rotterdam Europoort (the Netherlands).

decades to come. Accordingly, tools such as investments, operating efficiency improvements, maintenance and highly sophisticated techniques contribute to ongoing availability of storage capacity, while also making our operations more sustainable. Likewise, preventing incidents and spills and reducing waiting times for vessels contribute to customer satisfaction.

Programs aimed at reducing our consumption of energy and natural resources and avoiding spills, incidents and emissions will result in lower costs.

### **Dialogue with stakeholders**

Vopak assumes its responsibility by entering into a dialogue with its various stakeholders, such as customers and suppliers. We do so because we realize that we can only maintain our carefully built competitive and market positions if we exercise care in our dealings with customers, in our service provision and in our attitude towards the surroundings and communities in which we operate.

Vopak seeks to pursue an open information policy towards stakeholders who take an interest in our company. In line with that openness and transparency, we wish to conduct a well-structured dialogue with our stakeholders about our sustainability policy. The outcome is used to refine that policy, since Vopak attaches great importance to the views of its stakeholders in formulating further sustainability targets and policy measures. Furthermore, we value input from stakeholders with respect to the sustainability dilemmas that may occur in our everyday practice.

### **Daily contacts**

Customers, suppliers and employees meet to share important information every day. In addition, various audits are held on an annual basis, both by Vopak itself (Corporate Insurance, Corporate Internal Audit, Terminal Health Assessment, Post Implementation Reviews) and by our customers and various authorities. These audits aim to assure security for internal purposes, confirm the integrity of our terminals and processes, and pre-assess implementation plans. Furthermore, annual in-depth surveys are held among our customers and third parties who serve our customers at our terminals. These audits and surveys provide a continuous source of recommendations for improving our safety, services and operations.

### **Regular contacts**

We maintain regular contacts with neighbors, local and other authorities and investors. Organizing around 300 individual meetings, presentations, road shows and other events enables us to demonstrate our aim to be transparent towards all these target groups. In addition, we organize regular communications through webcasts and by using our website.

### **Annual contacts**

We maintain contacts every year with a great variety of communities, including our local neighbors, non-governmental organisations, sustainability organizations and ministries in the countries in which we operate.

Besides maintaining direct contacts with these stakeholders, we undertake various surveys throughout the year. The aim of these sustainability and annual employee and customer satisfaction surveys is to verify the implementation of the suggestions, comments and recommendations we have received at operational and policy levels.

### **Our aspirations for 2010**

To make the best possible use of our stakeholders' input, we use a rotation system based on the relevance of the stakeholders and subject matter. The results of these dialogues have a direct effect on the issue at hand.

With the support of Lean management, due for implementation commencing in 2010, Vopak is committed to reducing all types of waste. Waste means everything that does not add value to the customer, varying from spills to long waiting times for vessels. As we curb waste, the quality of our services increases and costs go down.

We will be starting a pilot project to map out and classify waste in 2010. Our long-term objective is not only to reduce waste volumes, but also to promote reuse both in and outside our own operations.

## Our principles

### Vopak and sustainability

To Vopak, sustainability means generating added value for all its stakeholders without causing unacceptable social or environmental impacts. We are committed to minimizing our energy and water consumption and reducing emissions to soil, air and surface water. We are also aware of the need to minimize any negative impact on communities living close to our operations whilst maximizing positive impacts wherever possible. We do this by concentrating on the issues set out below.

### Integrity and ethics

At Vopak, we have a responsibility to our investors, employees and business partners to operate ethically and with integrity in every facet of our activities. Integrity has been and will continue to be key to establishing and maintaining our good reputation. Vopak's business principles, based on integrity, are laid down in the Vopak Code of Conduct, which is available on our website.

### Human rights

Vopak respects human rights as described in the United Nations' Universal Declaration of Human Rights. We have a responsibility for ensuring that all of our subsidiaries likewise respect human rights whilst conducting business in our name.

### Fair treatment of employees

Vopak endorses the principles of the United Nations' International Labour Organisation (ILO). We have long been committed to providing a safe and healthy working environment for employees. This commitment is deeply rooted in our day-to-day activities, policies and governance structures.

### Communities

Vopak is committed to engaging with the communities living close to our operations. We work to minimize any negative impact of our operations to an acceptable level. We also aim to support employees, their families and local communities by providing assistance and expertise whenever required.

### Sustainable suppliers and customers

Vopak works with customers and suppliers to maintain long-term partnerships and ensure continuous improvement in our approach to sustainability. We aim to be the supplier of choice based on our service quality and our sustainability initiatives.

### Sustainable services

Vopak develops its services in accordance with stringent safety and environmental standards and in collaboration with the local authorities in the areas in which it operates. By continuously assessing and improving the condition of our terminals, we are able to maintain the highest level of quality for our customers.

## Introduction and timetable

At Vopak, we have thought carefully about our sustainability activities and we wish to implement our plans at the right time and in the right way. For this reason, we have drawn up the Vopak Sustainability Strategy, which will be rolled out throughout the Group in phases, as follows.

### Phase 1. Defining basic processes (completed in 2009)

- Laying down Vopak's Sustainability Policy in a Vision & Mission Statement and a Policy document, including the short-term targets.
- Preparing a reporting manual.
- Preparing external reports in accordance with GRI level C.
- Developing a step-by-step implementation plan.
- Drawing up a detailed timetable for Phase 2.

### Phase 2. Embedding the policies (2009-2011)

- Implementing the Vopak Sustainability Policy and our measurement systems.
- Extending the scope of our external reporting to include GRI level B.
- Setting long-term quantitative sustainability objectives.
- Drawing up a detailed timetable for Phase 3.

### Phase 3. Realizing our ambitions (2009-2012)

- Final roll-out of the sustainability strategy.
- Continuous monitoring of compliance and assessment of results.
- Ongoing improvement of reporting, based on GRI guidelines.

## Website

The Vopak website ([www.vopak.com](http://www.vopak.com)) always provides the most recent status update as well as our objectives and ambitions.



## Financial performance

### Revenues

In 2009, Vopak generated revenues of EUR 1,001.1 million, an 8% increase on 2008 (EUR 923.5 million), including a currency translation gain of EUR 3.3 million. Adjusted for deconsolidations in 2008, all divisions contributed positively to the increase in revenues, which was caused by a combination of increased capacity at existing terminals, development of new terminals and an increase in revenue per cubic meter of storage capacity as a result of positive rate adjustments. Revenues increased despite the effects of deconsolidations (Vopak Barging and Pakterminal) and divestments (Hemiksem) in 2008. Contracts with original durations longer than 1 year account for 83% of the contract portfolio (2008: 80%).

### Group operating profit

Group operating profit rose by 21% to EUR 391.1 million (2008: EUR 322.2 million), including a currency translation gain of EUR 2.3 million. Adjusted for exceptional items group operating profit rose by 20% to EUR 385.3 million (2008: EUR 320.4 million). This improvement is the result of the continued strategic focus of all divisions on growth in storage capacity at existing terminals, the development of new terminals, the additional demand of customers and improvements in operational efficiency.

Group operating profit before depreciation and amortization (EBITDA) including the net result of joint ventures and associates and excluding exceptional items rose by 20% to EUR 513.4 million (2008: EUR 429.3 million).

Increased capital requirements because of investments in new storage capacity caused ROCE, excluding exceptional items, to decrease to 20.2% (2008: 21.6%). Earnings per share rose, thanks to the significant improvement in group operating profit as well as favorable variable interest rates.

Exceptional items recognized in 2009 totaling EUR 5.8 million partly relate to impairment charges for Vopak's interests in the joint venture in Xiamen (China) and in the real estate joint venture for the redevelopment of a former Vopak office location in Rotterdam, the Netherlands. Further exceptional items in 2009 relate to profits on the sale of land (UK) and a terminal in Basle (Switzerland).

Operating costs not allocated to the divisions and adjusted for exceptional items amounted to EUR 39.1 million (2008: EUR 29.3 million). The increase is mainly due to higher pension costs, certain project-related charges and higher expenses following a negative indemnity resulting from Vopak's captive reinsurance company, which carries part of the insured risks.

## Revenues

In EUR millions	2009	2008	Δ %
Chemicals Europe, Middle East & Africa	312.7	313.1	–
Oil Europe, Middle East & Africa	269.5	251.7	7
Asia	206.2	166.3	24
North America	131.7	118.2	11
Latin America	77.9	69.9	11
Non-allocated	3.1	4.3	
<b>Revenues</b>	<b>1,001.1</b>	<b>923.5</b>	<b>8</b>

## Group operating profit

In EUR millions	2009	2008	Δ %
<b>Group operating profit including exceptional items</b>	<b>391.1</b>	<b>322.2</b>	<b>21</b>
-/- Exceptional items	5.8	1.8	
<b>Group operating profit excluding exceptional items</b>	<b>385.3</b>	<b>320.4</b>	<b>20</b>
-/- Group operating profit of disposed activities	1.0	0.3	
+ Currency translation profit		2.3	
<b>Group operating profit <sup>1)</sup></b>	<b>384.3</b>	<b>322.4</b>	<b>19</b>

<sup>1)</sup> Pro forma group operating profit for 2008 computed at 2009 exchange rates

## Group operating profit excluding exceptional items

In EUR millions	2009	2008	Δ %
Chemicals Europe, Middle East & Africa	91.2	89.7	2
Oil Europe, Middle East & Africa	135.3	108.1	25
Asia	127.5	95.5	34
North America	46.1	34.4	34
Latin America	24.3	22.0	10
Non-allocated	- 39.1	- 29.3	
<b>Group operating profit excluding exceptional items</b>	<b>385.3</b>	<b>320.4</b>	<b>20</b>
Depreciation and amortization	128.1	108.9	18
<b>Group operating profit before depreciation and amortization (EBITDA)</b>	<b>513.4</b>	<b>429.3</b>	<b>20</b>

## Net finance costs

The net finance costs amounted to EUR 45.7 million (2008: EUR 37.6 million). The increase is mainly caused by higher net interest expenses due to higher interest-bearing loans necessary to finance the expansion program. The average interest rate over the period remained 5.4%.

The fixed-to-floating ratio of the long-term interest-bearing loans, including interest rate swaps, amounted to 93% versus 7% per 31 December 2009 (31 December 2008: 61% versus 39%).

## Income tax

The income tax expense for 2009 amounted to EUR 68.9 million (2008: EUR 54.9 million). The effective tax rate for 2009 was 19.9% (2008: 19.3%). The effective tax rate for 2008 included an exceptional item with an effective tax rate impact of 2.9%. No exceptional tax items have been recognized for 2009. The decrease of the effective tax rate, excluding exceptional items in 2008 (22.2%), to the effective tax rate for 2009 (19.9%) includes the effect of the release of deferred tax liabilities in Singapore due to a tax rate reduction and a larger share of earnings before taxation eligible for participation exemption.

## Net profit attributable to holders of ordinary shares

Net profit attributable to holders of ordinary shares, excluding exceptional items, rose by 20% to EUR 242.7 million (2008: EUR 202.1 million). Net profit rose as a result of the higher group operating profit, partly offset by higher financing costs in the period.

Earnings per ordinary share, excluding exceptional items, grew by 19% to EUR 3.84 (2008: EUR 3.24). During 2009, Vopak increased the number of shares outstanding after the issue of 73% of the 2008 dividend in stock, renewed its cumulative financing preference share program and concluded in August and December respectively a SGD 210 million Private Placement and a USD 680 million Private Placement with fixed interest rates. These financing activities provide a solid basis to enable a successful execution of Vopak's growth strategy in the coming years, but will besides the increase in the outstanding shares also result in higher financing costs.

Although the EPS development in 2010 will be positively affected by the expected EBITDA growth the financial consequences of these long-term focused financing activities will weigh on the EPS development.

### Non-current assets

Total non-current assets increased to EUR 2,730.0 million (31 December 2008: EUR 2,278.6 million). In 2009, total investments amounted to EUR 534.8 million, of which EUR 455.4 million was invested in property, plant and equipment and the remainder included primarily investments in joint ventures and associates (2008: EUR 799.8 million, of which EUR 456.0 million was invested in property, plant and equipment). Of the investments in property plant and equipment EUR 173.9 million was invested in expansions at existing terminals (2008: EUR 268.8 million). Please refer to the details of storage capacity developments on page 28 and 29 for further details of the commissioned and approved growth plans.

### Shareholders' equity

Shareholders' equity rose by EUR 319.2 million to EUR 1,252.2 million (31 December 2008: EUR 933.0 million). The increase mainly came from the addition of the net profit for the year and the issuance of new shares, less a dividend payment in cash of EUR 20.5 million. A detailed overview can be found in the Consolidated Statement of Changes in Equity on page 80.

### Interest-bearing loans

As a result of the investment program, net interest-bearing debt rose to EUR 1,017.7 million (31 December 2008: EUR 996.7 million). The Net debt : EBITDA ratio decreased to 2.23 (2008: 2.54), which is well below the maximum ratio agreed with lenders.

In 2009, Vopak issued two new senior unsecured debt programs: a US Private placement of USD 680 million and an Asian Private Placement of SGD 210 million. The programs further enhanced the maturity profile of the outstanding debt and provide sufficient flexibility under the current revolving credit facility to enable the refinancing of the regular repayments under the existing private placement programs up to and including 2011.

As per 31 December 2009, EUR 983.4 million was drawn under US Private Placement programs with an average remaining term of 8.8 years. A further EUR 103 million was drawn under the Asian Private Placement program with an average remaining term of 4.7 years. The revolving credit facility of EUR 1.0 billion, with a remaining term of 2.5 years, is fully available. During 2010, regular repayments of long-term loans will be limited to EUR 25.1 million.

### Group operating profit and ROCE

In EUR millions	EBIT	Average capital employed	ROCE
Chemicals Europe, Middle East & Africa	92.1	481.3	19.1%
Oil Europe, Middle East & Africa	140.7	407.8	34.5%
Asia	124.6	717.1	17.4%
North America	46.1	242.3	19.0%
Latin America	24.3	99.9	24.3%
Non-allocated	- 36.7	- 12.1	
<b>Group operating profit</b>	<b>391.1</b>	<b>1,936.3</b>	<b>20.2%</b>

### Vopak consolidated including proportionate consolidation of joint ventures in tank storage activities

In EUR millions	2009	2008
<b>Income statement</b>		
Revenues	1,220.5	1,067.9
Group operating profit before depreciation and amortization (EBITDA)	582.0	474.0
Group operating profit	419.8	337.5
Net profit attributable to shareholders	251.2	213.2
Net profit attributable to holders of ordinary shares	247.6	212.0
<b>Balance sheet</b>		
Non-current assets	3,091.5	2,598.1
Current assets	477.9	370.3
Total assets	3,569.4	2,968.4
Non-current liabilities	1,758.7	1,401.0
Current liabilities	477.9	558.4
Total liabilities	2,236.6	1,959.4
<b>Total equity</b>	<b>1,332.8</b>	<b>1,009.0</b>
<b>Financial ratio's</b>		
Interest cover	10.0	9.9
Net debt : EBITDA	2.26	2.70

## Net investments by division

In EUR millions	2009	2008
Chemicals Europe, Middle East & Africa	107.7	121.1
Oil Europe, Middle East & Africa	114.2	174.3
Asia	112.3	228.6
North America	27.6	123.8
Latin America	50.4	20.7
Non-allocated	18.7	13.9
<b>Net investments</b>	<b>430.9</b>	<b>682.4</b>

## Net investments

In EUR millions	2009	2008
Intangible assets	5.8	5.7
Property, plant and equipment	455.4	456.0
Joint ventures and associates	36.3	40.4
Loans granted	21.4	109.1
Acquisition of subsidiaries including goodwill	1.2	59.1
Acquisition of joint ventures	7.2	127.8
Other non-current assets	7.5	1.7
<b>Investments</b>	<b>534.8</b>	<b>799.8</b>
Intangible assets	–	0.2
Property, plant and equipment	12.4	2.6
Joint ventures and associates	–	3.4
Loans granted	75.2	66.9
Subsidiaries	–	0.2
Assets held for sale	16.3	44.1
<b>Disposals</b>	<b>103.9</b>	<b>117.4</b>
<b>Net investments</b>	<b>430.9</b>	<b>682.4</b>

## Pensions

Over 2009 the Vopak pension schemes have shown a mild recovery from the decrease of the plan assets values in 2008. The local cover ratio of the Dutch pension scheme, covering 83% of Vopak's pension obligations, increased in 2009 from 97% to approximately 108%. This increase was mainly caused by the positive return of almost 11% and the increased and one-off contribution in the recovery plan. Based on the strategic asset allocation in 2010, as decided on by the trustees of the Dutch pension scheme, the required cover ratio amounts to approximately 113%.

With a cover ratio of 108%, the Dutch pension scheme is well ahead of expectations in the recovery plan. This cover ratio includes the effect of a decision by the trustees of the pension scheme to set aside a provision equaling 2% of pension obligations in respect of the expected increase in future life expectancy based on recent figures from the Dutch Central Bureau of Statistics.

Based on the financial agreement between Vopak and the Dutch pension scheme, the contribution for 2010 to the Dutch pension scheme remains the maximum of 30% of total salaries. The financial agreement or recovery plan no longer holds obligations for one-off contributions. Based on the situation at the end of 2009, the trustees of the pension scheme have decided to grant no indexations as per 1 January 2010.

The other Vopak pension schemes have shown a comparable recovery in 2009 from the decrease of the plan assets value in 2008.

Under IFRS the adverse developments in 2008 have led to an increase of the expense for defined benefit plans in 2009 with EUR 13.7 million to EUR 19.0 million. This increase is a direct effect of the lower value of plan assets at the end of 2008 combined with a higher amortization of unrecognized actuarial losses. The expected pension costs for defined benefit plans in 2010 amount to EUR 9.8 million.



### Dividend proposal

A dividend of EUR 1.25 per ordinary share, an increase of 14% (2008: EUR 1.10), payable in cash, will be proposed to the Annual General Meeting of Shareholders of 27 April 2010. Adjusted for exceptional items, the payout is 33% of earnings per ordinary share (2008: 34%).

### Share split

It will be proposed to the Annual General Meeting of Shareholders of 27 April 2010 to approve a share split in a 1:2 ratio. Considerations underlying this proposal are various requests, notably from retail shareholders.

### Outlook

- Projects under construction will add 3.0 million cbm of storage capacity in the years 2010, 2011 and 2012. The total investment for Vopak and partners in these projects involves capital expenditure of some EUR 1.6 billion, of which Vopak's total remaining cash spend will be some EUR 0.4 billion.
- For 2010 Vopak expects Group operating profit before depreciation and amortization (EBITDA) to grow between 5-10%. Although the expected EBITDA growth will contribute positively to the EPS development in 2010, the completed long term financing activities in 2009 will weigh on the EPS development due to the increase in outstanding shares and higher financing costs.
- Based on its growth strategy Vopak is well positioned to realize a Group operating profit before depreciation and amortization (EBITDA) between EUR 625-700 million in 2012.

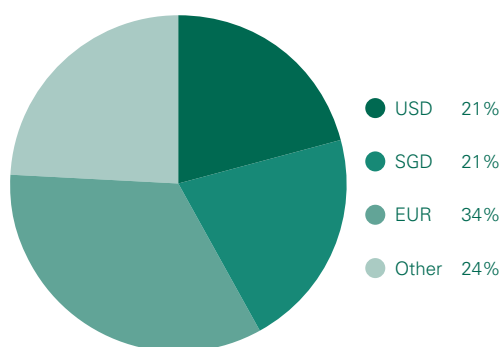
### Funding

In EUR millions	2009	2008
Cash and cash equivalents	189.4	49.3
Non-current portion of interest-bearing loans	- 1,165.2	- 922.1
Current portion of interest-bearing loans	- 25.1	- 50.0
Bank overdrafts	- 16.8	- 73.9
<b>Net interest-bearing debt</b>	<b>- 1,017.7</b>	<b>- 996.7</b>
Derivative financial instruments (currency)	- 12.7	- 18.7
Credit-replacement guarantees	- 30.7	- 19.8
<b>Net debt for ratio calculation</b>	<b>- 1,061.1</b>	<b>- 1,035.2</b>
<b>Net debt : EBITDA</b>	<b>2.23</b>	<b>2.54</b>
<b>Interest cover</b>	<b>10.4</b>	<b>10.9</b>

### Abridged cash flow statement

In EUR millions	2009	2008
Cash flows from operating activities (gross)	453.6	386.9
Net finance costs paid and received	- 38.8	- 33.1
Income tax paid	- 41.5	- 37.1
<b>Cash flows from operating activities (net)</b>	<b>373.3</b>	<b>316.7</b>
Investments	- 534.8	- 799.8
Disposals	103.9	117.4
<b>Cash flows from investing activities</b>	<b>- 430.9</b>	<b>- 682.4</b>
<b>Cash flows from financing activities</b>	<b>254.2</b>	<b>232.6</b>
<b>Net cash flows</b>	<b>196.6</b>	<b>- 133.1</b>

### EBIT in 2009 by currency



### Exchange rates

	USD		SGD	
Per EUR 1.00	2009	2008	2009	2008
<b>Average exchange rate</b> (translation rate income statement)	1.39	1.47	2.02	2.08
<b>Year-end exchange rate</b> (translation rate balance sheet)	1.43	1.40	2.01	2.00

## The World of Vopak

### North America

10 terminals, 3 countries  
5,741,100 cbm storage capacity

- 1 **Bahamas**  
Vopak Terminal Bahamas
- 2 **Canada**  
Vopak Terminals Canada - Hamilton
- 3 **Canada**  
Vopak Terminals Canada - Montreal
- 4 **United States**  
Vopak Terminal Deer Park
- 5 **United States**  
Vopak Terminal Galena Park
- 6 **United States**  
Vopak Terminal Long Beach
- 7 **United States**  
Vopak Terminal Los Angeles
- 8 **United States**  
Vopak Terminal Savannah
- 9 **United States**  
Vopak Terminal North Wilmington
- 10 **United States**  
Vopak Terminal South Wilmington

### Latin America

13 terminals, 7 countries  
915,500 cbm storage capacity

- 11 **Brazil**  
Vopak Brazil - Alemoa Terminal
- 12 **Brazil**  
Vopak Brazil - Aratu Terminal
- 13 **Brazil**  
Vopak Brazil - Ilha Barnabé Terminal
- 14 **Brazil**  
União/Vopak Armazéns Gerais
- 15 **Chile**  
Vopak Chili - San Antonio Terminal
- 16 **Colombia**  
Vopak Colombia - Barranquilla Terminal
- 17 **Colombia**  
Vopak Colombia - Cartagena Terminal
- 18 **Ecuador**  
Vopak Ecuador
- 19 **Mexico**  
Vopak Mexico - Altamira Terminal
- 20 **Mexico**  
Vopak Mexico - Coatzacoalcos Terminal
- 21 **Mexico**  
Vopak Mexico - Veracruz Terminal
- 22 **Peru**  
Vopak Peru - Callao Terminal
- 23 **Venezuela**  
Vopak Venezuela - Puerto Cabello Terminal



### Europe, Middle East & Africa

31 terminals, 11 countries  
15,269,100 cbm storage capacity

- |   |  |   |   |
|---|--|---|---|
| 24 <b>Belgium</b><br>Vopak Terminal ACS - Antwerp   | 33 <b>The Netherlands</b><br>Vopak Terminal Botlek (Noord) - Rotterdam | 41 <b>Spain</b><br>Terquimsa - Barcelona Terminal                   | 50 <b>South Africa</b><br>Vopak Terminal Durban |
| 25 <b>Belgium</b><br>Vopak Terminal Eurotank - Antwerp  | 34 <b>The Netherlands</b><br>Vopak Terminal Botlek (Zuid) - Rotterdam  | 42 <b>Spain</b><br>Terquimsa - Tarragona Terminal                   | 51 <b>Sweden</b><br>Vopak Terminal Gävle        |
| 26 <b>Belgium</b><br>Vopak Terminal Linkeroever - Antwerp                                     | 35 <b>The Netherlands</b><br>Vopak Terminal Chemiehaven - Rotterdam    | 43 <b>Saudi Arabia</b><br>SabTank - Al Jubail                       | 52 <b>Sweden</b><br>Vopak Terminals Gothenburg  |
| 27 <b>Germany</b><br>Vopak Dupeg Terminal Hamburg<br>location Neuhoof and location Waltershof | 36 <b>The Netherlands</b><br>Vopak Terminal Europoort - Rotterdam      | 44 <b>Saudi Arabia</b><br>SabTank - Yanbu                           | 53 <b>Sweden</b><br>Vopak Terminal Malmö        |
| 28 <b>Estonia</b><br>Vopak E.O.S. - Tallinn   | 37 <b>The Netherlands</b><br>Vopak Terminal Laurens haven - Rotterdam  | 45 <b>United Kingdom</b><br>Vopak Terminal Ipswich                  | 54 <b>Sweden</b><br>Vopak Terminal Södertälje   |
| 29 <b>Finland</b><br>Vopak Terminal Hamina  | 38 <b>The Netherlands</b><br>Vopak Terminal TTR - Rotterdam            | 46 <b>United Kingdom</b><br>Vopak Terminal London                   |   |
| 30 <b>Finland</b><br>Vopak Terminal Mussalo - Kotka   | 39 <b>The Netherlands</b><br>Vopak Terminal Vlaardingen                | 47 <b>United Kingdom</b><br>Vopak Terminal Teesside - Middlesbrough |   |
| 31 <b>The Netherlands</b><br>Maasvlakte Olie Terminal - Rotterdam                             | 40 <b>The Netherlands</b><br>Vopak Terminal Vlissingen                 | 48 <b>United Kingdom</b><br>Vopak Terminal Windmill                 |   |
| 32 <b>The Netherlands</b><br>Vopak Terminal Amsterdam   |  | 49 <b>United Arab Emirates</b><br>Vopak Horizon Fujairah            |   |



## Asia & Australia

25 terminals, 10 countries

6,413,500 cbm storage capacity

### 55 Australia

Vopak Terminal Darwin

### 56 and 57 Australia

Vopak Terminal Sydney - location A and B

### 58 China

Vopak Shanghai - Caojing Terminal

### 59 China

Vopak Terminals Shandong Lanshan

### 60 China

Vopak Terminal Ningbo

### 61 China

Vopak Terminal Tianjin

### 62 China

Vopak Terminal Zhangjiagang

### 63 China

Xiamen Paktank

### 64 Indonesia

Vopak Terminal Merak

### 65 Japan

Nippon Vopak - Kawasaki Terminal

### 66 Japan

Nippon Vopak - Kobe Terminal

### 67 Japan

Nippon Vopak - Moji Terminal

### 68 Japan

Nippon Vopak - Nagoya Terminal

### 69 Japan

Nippon Vopak - Yokohama Terminal

### 70 Korea

Vopak Terminals Korea - Ulsan

### 71 Malaysia

Kertih Terminals

### 72 Malaysia

Vopak Terminal Pasir Gudang

### 73 Pakistan

Engro Vopak Terminal

### 74 Singapore

Vopak Singapore - Banyan Terminal

### 75 Singapore

Vopak Singapore - Penjuru Terminal

### 76 Singapore

Vopak Singapore - Sakra Terminal

### 77 Singapore

Vopak Singapore - Sebarok Terminal

### 78 Thailand

Thai Tank Terminal

### 79 Vietnam

Vopak Vietnam



Review by Division









## Chemicals Europe, Middle East & Africa (CEMEA)

### Market trends and financial results

"The CEMEA division stores a large variety of products, such as oleochemical products, biofuels, fuel components and vegetable oils. Together, these products account for roughly half of the division's business, the other half being the remaining chemical products.

Early 2009 witnessed a substantial drop in demand for storage of chemicals and oleochemicals due to the financial and economic crisis. Nevertheless, the operating profit increased slightly to EUR 91.2 million (2008: 89.7 million). This rise can be partly ascribed to the storage of other products. Fears in the financial markets that the CEMEA division might be susceptible to cyclical trends proved to be unfounded in 2009, which was a factor in a number of subsequent upward reviews of the company's profit forecasts in the past year.

The biofuels boom seen in the past few years levelled off somewhat as market forces normalized following the European Commission's clear statement on regulations governing biofuels and as shifts occurred on the supply side. Rather than import flows from Asia and Latin America, more intra-European market flows emerged, presenting new opportunities.

Expectations are for the chemicals market in the EMEA region to gradually return to stability once the recession is over. The growing geographical spread between locations where there is demand for chemicals and those where there is supply offers Vopak opportunities. A prime example of such imbalance is the trend seen in the Middle East, where much new production capacity will be commissioned over the coming years. This concerns chemicals previously produced as well as consumed in Europe. This trend gained prominence in 2009, offering us positive perspectives, given that we own tank storage facilities in ports with deepwater access.

### Capacity expansion

- Expansion at the Belgian Left Bank terminal of 40,000 cbm.
- 40,000 cbm new capacity added in Teesside, UK.

- 75,000 cbm commissioned in Vlaardingen, the Netherlands, for storage of biofuel components.
- Capacity expanded by over 156,000 cbm in Rotterdam, Botlek, the Netherlands for bio-ethanol.

### Study into new terminal in Turkey

"We are currently studying options for developing a terminal for storing liquid chemicals and mineral and vegetable oil products at the strategic location between Europe and Asia, on the Turkish coast of the Sea of Marmara."

### Safe and sustainable conduct

#### Red Alert!

"The initiative we took two years ago in the area of process safety, focusing specifically on preventing minor fires and spills, which caused them to be halved in terms of occurrences and volumes, was given a fresh impetus through the Red Alert! campaign. This safety awareness campaign highlighted conduct, emphasizing the importance to employees of concentration in everything they do. Raising awareness in this manner resulted in an upward trend in our performance in the fields of process safety and personal safety in 2009."

#### SHE training programme

"In CEMEA, a SHE training program was developed that highlights the human factor in the safety theme in the broadest sense of the word. If you understand why people act in the way they do, you will be able to exert a positive influence on those actions. Keywords are discipline and never ceasing to point out the importance of safety and professional and careful conduct. The training program started in 2009 at many terminals and we will be keeping a close eye on it in the coming period."

#### Sustainability

"The sustainability belief has already trickled through into many aspects of our business operations, with energy savings and much-used energy programmes being cases in point. Based on an energy balance, we are taking a step towards improving yields, for instance by searching for heat leaks using infrared cameras or by bringing down





## “Despite drop in demand of chemical products a stable operating profit was realized.”

the temperature of the steam we use to flush our tanks. The return on those efforts is a demonstrable reduction in energy consumption on the sites.”

### Vopak Chemicals Netherlands

“In Vopak Chemicals Netherlands, a plan is currently under development for further improving safety and raising efficiency and service levels by making significant investments in the Dutch chemicals terminals. In the years ahead, the planned investments will result in a few dozen jobs in Chemicals Netherlands being shed. This is considered to be necessary in order to secure a better long-term competitive position for Vopak Chemicals Netherlands in view of the uncertainties inherent in the Dutch market. The plan detailing this large-scale project will be completed in the first half of 2010.”

### Customers and service

“The response to our annual customer satisfaction survey was overwhelmingly positive. To follow up on the outcome, we held in-depth discussions with our customers in order to gain an understanding of the exact issues and requirements that lie behind the figures. Based on those discussions, we prepared and implemented an action plan, and our realistic expectation is that it will yield the first results in the coming period.”

— Kees van Severter, Division President CEMEA

### Highlights

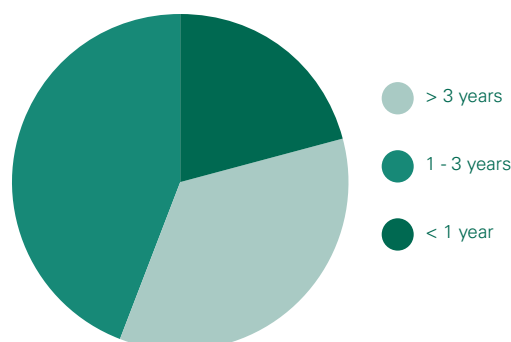
- Substantial drop in demand chemical products due to crisis
- Slight increase of operating profit
- Additional storage capacity in the United Kingdom, Belgium and the Netherlands
- Growing geographical imbalances offer opportunities

### Key figures

In EUR millions	2009	2008
Revenues	312.7	313.1
Operating profit before depreciation and amortization (EBITDA)	131.4	128.2
Operating profit (EBIT) *	91.2	89.7
Average gross capital employed	865.6	726.7
Average capital employed	481.3	377.5
ROCE	19.1%	24.9%
Storage capacity (cbm)	4,283,700	3,984,200
Occupancy rate	93%	96%

\* Excluding exceptional items

### Contract position





## Oil Europe, Middle East & Africa (OEMEA)

### Market trend

"Demand for oil storage remained robust. Although global demand for oil dropped by about 3% in 2009, demand for transport and storage was on the rise, due to growing geographical imbalances. The operating profit rose more than 25% to EUR 135,3 million, driven by the sustained strong demand for tank storage and capacity expansions. This trend is expected to continue over the next few years, as some of the refinery activities will move to the Middle East. There is also a trend of national oil companies trying to acquire international market positions. Tank storage capacity gives them physical access to regional and local markets to which they can supply their products. Consequently, a significant increase can be noted in the interest on the part of such national oil companies in storing their products at Vopak. This leads to a considerable growth in Vopak's service offering. Therefore, Vopak's focus will continue to be on national and global oil companies alike."

### Strong market demand drives growth in storage capacity

"Throughout the EMEA region, many projects are under construction that will yield another 1.7 million cbm of storage capacity over the next few years. A number of large-scale expansions and/or modernizations are the following:

- The expansion of Vopak's usage rights in the Maasvlakte Oil Terminal in Rotterdam, the Netherlands by 360,000 cbm to over 1 million cbm.
- 160,000 cbm is being added to Vopak Terminal Europoort in Rotterdam, the Netherlands.
- The capacity of the terminal in Gothenburg, Sweden, was expanded by 60,000 cbm. In addition, one of the four terminal locations in Gothenburg, Skarvik 2, is being entirely modernized and expanded by 20,000 cbm.
- In early 2009, Vopak E.O.S. in Tallinn, Estonia, commissioned another 111,000 cbm of storage capacity.
- Expansion of the SabTank terminal in Yanbu (Saudi Arabia) by 125,000 cbm."

### Construction of sustainable terminal in Amsterdam

"In May, the decision was made to build a new oil storage terminal in the port of Amsterdam, the Netherlands, which is the principal gasoline trading hub in Europe.

Vopak Terminal Westpoort, which will be built using the most sustainable technologies available, will mainly store, blend and transship transport fuels such as gasoline, diesel, gas oil, their components and biofuels. In 2009 the construction of the first phase of 620,000 cbm has started. The second phase of 570,000 cbm will start early 2010."

### Sale of Basle terminal

"In late 2009, Vopak sold the terminal in Basle, Switzerland. This river-based inland terminal in Basle has a limited strategic fit with Vopak's global network strategy focused on owning and operating marine-based tank storage terminals in key locations with deep water access facilities."

### Expansion of Agencies network

"With a view to further reinforcing the market in northwestern Europe, Vopak Agencies acquired John T. Essberger's trading network, thus expanding its network with offices in Hamburg, Stade, Bremen, Wilhelmshafen and Rostock, Germany."

### Sustainability

"Sustainability is important in the OEMEA division. The theme is top of the agenda for all projects and terminal operations. A great deal of attention and investments focus on curbing emissions at new (see Westpoort terminal) and current terminals, and on environmental protection, such as fighting odor, reducing vapor pollution and saving energy. All efforts yield measurable results, for instance reductions in energy needs. Over the next few years, Vopak will continue to concentrate on implementing sustainable improvements."

### Staff

"In 2009, a competency management pilot was implemented throughout the division. The project not only centers on a staff member's requisite functional skills on a duty-by-duty basis, but also on the personal capacities and competencies required to carry out the duty in question adequately within a social context. As a result, excellence in customer approach is also given extra attention. In this respect, the organization's development and strategy (customer leadership) go hand in hand with our staff's personal development."





## “Increasing geographical imbalances drive demand for tank storage.”

### Operational efficiency

“Vopak’s focus on efficiency improvements and effective cost management was stepped up. On the basis of the Lean-methodology, Vopak made a huge effort to create a service-based culture that never ceases to consider process improvement. This is not merely about cost reductions, but mainly about adopting and embedding another culture or mindset in the company proper through its people.”

### Customers and service

“Vopak invests not only in adding capacity, but also in modernizing, modifying and upgrading the infrastructure on its locations. With a view to its ongoing service improvement, Vopak devotes a great deal of attention to training courses for all commercial and customer service staff on all locations, so that its service offering continues to be in line with its customers’ expectations to the extent possible.”

—  
Frank Erkelens, Division President Oil EMEA

### Highlights

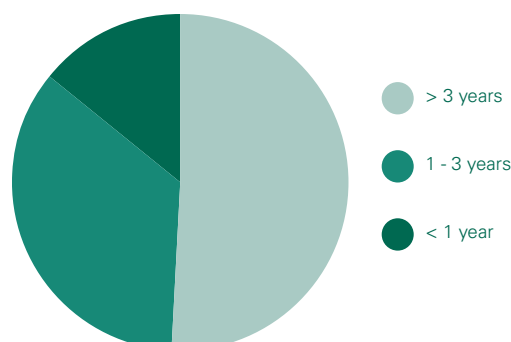
- Robust demand for storage of oil products
- Construction of new terminal in Amsterdam, the Netherlands
- Many projects are under construction throughout the EMEA region
- Growth of services provided to national oil companies

### Key figures

In EUR millions	2009	2008
Revenues	269.5	251.7
Operating profit before depreciation and amortization (EBITDA)	166.6	136.4
Operating profit (EBIT) *	135.3	108.1
Average gross capital employed	677.5	571.5
Average capital employed	407.8	311.8
ROCE	34.5%	36.3%
Storage capacity (cbm)	10,985,400	11,067,100
Occupancy rate	95%	95%

\* Excluding exceptionals

### Contract position





## Asia

### Continued growth

"The crisis has made the potential global growth for the upcoming years even more visible. Despite the global impact of the crisis, Indonesia, Vietnam, Malaysia, India and China performed well. Throughout 2009, this translated into continued growth for the Asia division, with throughputs remaining high, in part due to Vopak's robust client portfolio. As a result, the operating profit increased with 33.5% to EUR 127.5 million (2008: EUR 95.5 million). The capacity expansions in Penjuru and Banyan, Singapore, were commissioned ahead of schedule. Increasing consumption in Asia offers Vopak a splendid perspective."

### Increasing import flows drive Chinese demand for tank storage

"The tank storage sector is developing strongly in China, due to the increasing demand for storage. On the one hand, there are sufficient financing opportunities. On the other, chemical consumption and production are growing, and trading companies are actively keeping products on stock, anticipating demand to increase even further. In part due to the increasing import flows of oil products and chemicals such as methanol, demand for tank storage increased in 2009 and much storage capacity was added in Asia."

### Capacity expansion throughout the region

"Approximately 595,000 cbm of new capacity was commissioned in Asia. The following expansions were commissioned.

- 392,000 cbm in Banyan and 65,000 cbm in Penjuru, both in Singapore.
- In Pakistan, Engro Vopak added 13,400 cbm for ethylene storage.
- In Sydney, Australia, capacity was expanded by 78,100 cbm.
- The new capacity (40,000 cbm) for chemical products in Vietnam was commissioned in June 2009. With a storage capacity of 48,200 cbm, this modernized terminal is the largest independent chemical storage terminal in Vietnam.
- In Jakarta, Indonesia, construction of the first phase of

the new storage terminal for oil products was nearly completed, providing a capacity of 250,000 cbm. The terminal will be fully operational in 2010.

- At the terminal in Zhangjiagang, China, capacity is being expanded by 75,300 cbm, to be commissioned in the first quarter of 2010. By mid-2010, another 102,000 cbm will be added at this terminal. Additional storage capacity was also commissioned in Caojing (6,500 cbm), whilst in total 39,200 cbm is under construction in Ningbo (5,500 cbm), Lanshan (3,700 cbm) and Caojing (30,000 cbm) which will become available in 2010."

### Study to develop terminal in Malaysia

"Together with the Dialog Group Berhad, a Malaysian entity, a study has been initiated into the feasibility of an independent oil-storage terminal in southern Malaysia. Once the study has been satisfactorily completed, construction of a terminal with a storage capacity of several millions of cubic meters may start."

### Safety and sustainability

"The overall improvement of safety indicators has shown an uninterrupted upward trend over the past years. Thanks to the appointment of several safety managers and the approach based on local projects, step-by-step improvements are still being achieved, based on the strong awareness that efforts in the fields of safety and sustainability will never cease. Constant alertness and ongoing improvements will continue to require everybody's effort and investment. Last year's highly regrettable fatal accident of a subcontractor in Jakarta has yet again made this painfully clear. The sustainability theme is being placed on the agenda with increasing emphasis in China as well, supported by the government with appropriate legislation and regulations. Vopak welcomes this development, as it is in line with the high standards the company sets for itself."

### Focused attention devoted to operational efficiency

"Vopak spent a great deal of focused attention on operational efficiency. Various programs were adequately rolled out and received with enthusiasm. The Lean based



### Highlights

- Continuous growth, with high throughput levels
- Tank storage sector in China is developing strongly
- Capacity added and to be developed throughout the entire region
- Capacity expansions in Singapore commissioned ahead of schedule

### Key figures

In miljoen EUR	2009	2008
Revenues	206.2	166.3
Operating profit before depreciation and amortization (EBITDA)	164.2	121.9
Operating profit (EBIT) *	127.5	95.5
Average gross capital employed	1,048.3	811.7
Average capital employed	717.1	550.9
ROCE	17.4%	16.5%
Storage capacity (cbm)	6,413,500	5,818,800
Occupancy rate	93%	94%

\* Excluding exceptionals

## “Increasing consumption in Asia offers Vopak a splendid perspective.”

initiative, which will be implemented throughout Vopak around the world, also offers new opportunities as a structured quality method, as does the global sourcing initiative. All in all, it is a powerful impulse, currently allowing the organization to operate in a more decisive and alert way than before.”

### Staff

“The use of internal communication and performance management proved to be powerful tools to promote involvement and work satisfaction among staff. Accordingly, the staff’s involvement with Vopak grew visibly in 2009. The major intake of talented staff and the shoring up of management are only expected to reinforce the said developments over the next few years.”

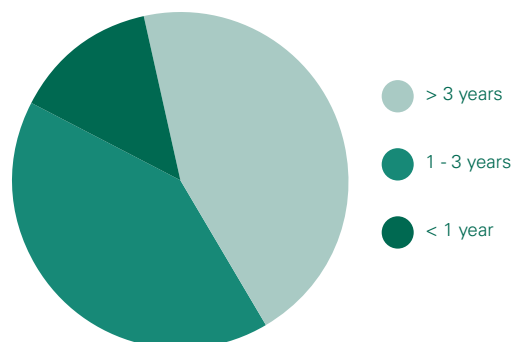
### Clients and service

“Much attention was paid to improving service mentality and client relationships. *I Care* is the name of the change program that was started up to improve the entire division’s service awareness across the board at all levels over the next two years. Staff enthusiasm is high and the initial results are promising.”

—

Eelco Hoekstra, Division President Asia  
Jan Bert Schutrops, President China Region

### Contract position







## North America

### Market trends

"2009 was a turbulent year. Despite the recession in the United States, in particular, the North America division realized good results, thanks to which the operating profit increased by 34% to EUR 46.1 million (2008: EUR 34.4 million). During the first half of the year, terminal operations were at levels comparable with those for the second half of 2008 or, in other words, significantly lower than expected. Nevertheless, owing in part to further diversification of our contracts portfolio, we had a good year, mainly driven by the increased storage of oil and biofuels. Expectations regarding biofuels pushed demand for tank storage for that product slightly higher in the third and fourth quarters. Because attention was devoted to providing efficient service and pursuing an adequate commercial strategy, the company managed to cope with the market trends set forth above, so that the impact of the crisis was very limited."

### Capacity expansion

Through our terminal in the Bahamas, co-owned by Vopak since 2008, we are now a key player in the North American oil sector. Customers confirm the appeal of the strategically located terminal close to the United States, which is why Vopak aims to further expand the terminal. The expansions were as follows:

- Following the takeover of the terminal in the Bahamas, its storage capacity was 3 million cbm in early 2009, which was upgraded to 3.4 million cbm in the course of the year by repairing tanks and building new tanks. In this way, the terminal is developing into a strategic regional hub.
- In Savannah capacity was expanded by 12,700 cbm.
- Storage capacity of the Galena Park terminal increased by 5,000 cbm for chemicals and biofuels."

### Safety and sustainability

"2009 was a positive year in terms of safety. No staff were absent on any location due to a work-related incident and virtually all key safety indicators improved, in part due to

the message of 'Do it safe or don't do it at all' that was communicated throughout the division year-round, and in part due to the division's effort of making safety leadership an integral part of all of its operating activities. Process safety improved by over 25% compared with 2008, which is good, but ongoing safety improvement, especially related to contractors, requires everybody's constant alertness.

In the field of sustainability, the division worked with a continuous and proactive focus on incident reduction, continuous reporting and monitoring to curb CO<sub>2</sub> and VOC emissions at its terminals, and a very strong focus on reducing energy consumption by greater awareness, improved processes, introducing energy-saving installations, and insulating tanks and pipelines. In addition, the efforts to reduce waste-water quantities and create more efficient waste-water treatment processes bore fruit. Moreover, at the Bahamas, the division stepped up the process of checking tank-bottom quality to guarantee the integrity of its tanks."

### Operational efficiency to serve customers

"The jetty expansion started in 2009 at Deer Park, a Vopak terminal in Houston, is a fine example that operational efficiency and customer service improvement often go hand in hand. This is also the case for the following improvements achieved in 2009.

An enhanced truck-planning system was developed and implemented as a pilot at the gulf coast terminals and will be introduced as best practice system at all divisional terminals.

To be able to reduce the number of spills, the introduction of tank-overfill protection systems was accelerated. This is one of the many infrastructural improvements implemented to directly deal with risk factors as to process incidents. Finally, the division initiated the implementation of a five-year plan to take operational excellence to the next level."





## Highlights

- More oil products and biofuels stored
- Terminal in the Bahamas plays important role in North American oil sector
- Capacity expansion realized in the Bahamas, Savannah and Houston
- Jetty expansion at Deer Park Terminal in Houston

## Key figures

In EUR millions	2009	2008
Revenues	131.7	118.2
Operating profit before depreciation and amortization (EBITDA)	59.1	45.5
Operating profit (EBIT) *	46.1	34.4
Average gross capital employed	396.0	329.6
Average capital employed	242.3	191.2
ROCE	19.0%	18.0%
Storage capacity (cbm)	5,741,100	5,315,600
Occupancy rate	96%	95%

\* Excluding exceptionals

## “Good results realized in turbulent year.”

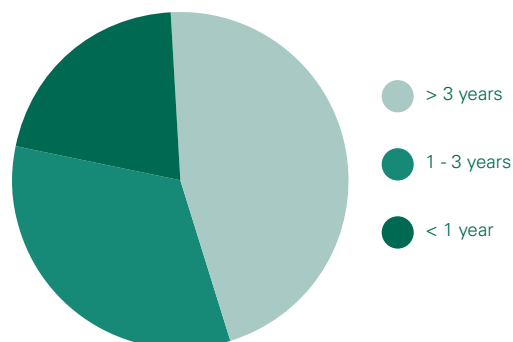
### Further improvements by entering into a dialogue with customers

“We have observed further improvement in terms of customer satisfaction. The theme was placed on the agenda with even greater emphasis in 2009, as a result of which the instruments available were applied even more actively, using the CRM application, by actively monitoring key performance indicators in the area of service and entering into constructive and intensive dialogue with customers about specific improvements in the area of service. The North America division will pursue this important development even more ambitiously in 2010.”

–

Dick Richelle, Division President North America

## Contract position





## Latin America

### Market developments and results

"2009 was a challenging year for Vopak Latin America: the financial crisis was felt in the region even though its effects were relatively modest. Production of chemicals declined in 2009 as demand for these products was much reduced as a result of the economic recession. During the last few months of the year, there was a recovery in the chemicals market, which is now growing again, and we are responding to this. The division's operating profit rose 10.4% to EUR 24.3 million (2008: 22.0 million), partly as a result of improved economies of scale from earlier expansion of capacity expansions in Mexico, Venezuela and Chile.

The economic outlook is favorable. Various markets are growing again, although various countries have to grapple with political problems that may have economic effects. Thanks to the network that Vopak has set up on this continent, we are in a position to respond optimally and flexibly to economic developments in the region. In doing so, we are aiming for a broad customer base so that we are less susceptible to drops in demand in any specific market."

### Capacity expansion

"The Latin America division has thirteen terminals in Brazil, Chile, Colombia, Ecuador, Mexico, Peru and Venezuela. Total capacity grew by 33,800 cbm in 2009 to 915,500 cbm, with the largest expansions being at the following terminals:

- New storage tanks increased capacity at the Cartagena Terminal in Colombia by 17,750 cbm. Cartagena, which is one of Colombia's leading terminals for inflammable products, is using the new capacity mainly for the storage of naphtha, methanol and toluene.
- In Chile, 3,200 cbm was added to capacity at the San Antonio Terminal, south-west of Santiago.

At the end of 2009, Vopak and Oxiquim S.A. announced that Vopak-Oxiquim Terminal Mejillones S.A., a joint venture of the two companies in Chile, would start construction of a new storage terminal for bulk liquid chemicals in Mejillones,

in the north of Chile. The terminal will have an initial capacity of 10,000 cbm for the storage of chemicals for import and export."

### Safety

"In the past year, we continued to pay much attention to personal and process safety, particularly in the area of prevention. We had set ourselves highly ambitious targets for 2009, some of which we unfortunately failed to achieve because a number of incidents occurred. Even so, safety did improve compared with 2008. This has reinforced our belief that investment in Safety, Health & Environment has to be made consistently and over a long period of time before substantial and permanent results are achieved."

### Sustainability

"We implement our sustainability policy in line with Vopak's ambitions. In the past year, we recorded and categorized our energy consumption and emissions. In the coming years, we will be working on quantifiable improvements using these measurements as a baseline."

### Staff

"The Engagement Survey we conduct among our employees shows that they are highly committed to their company. This is a result of the ongoing dialogue with our employees in Latin America. Over the past year, we concentrated on creating a culture in which everyone's personal responsibilities are reflected in their conduct. Employees are responsible not just for their own actions, but also for those of their colleagues and their team. This increases corporate commitment and company pride. We also work on our employees' personal development through talent management, job rotation and performance management programs."



## Highlights

- Expansions in Colombia and Chile
- Joint venture with Oxiquim S.A. starts construction storage terminal in Chile
- Recovery of chemical market
- Economic outlook is favorable

## Key figures

In EUR millions	2009	2008
Revenues	77.9	69.9
Operating profit before depreciation and amortization (EBITDA)	32.1	29.0
Operating profit (EBIT) *	24.3	22.0
Average gross capital employed	153.0	131.6
Average capital employed	99.9	86.3
ROCE	24.3%	25.5%
Storage capacity (cbm)	915,500	881,700
Occupancy rate	88%	91%

\* Excluding exceptionals

# “The chemicals market is growing again and we are responding to this.”

## Operational excellence

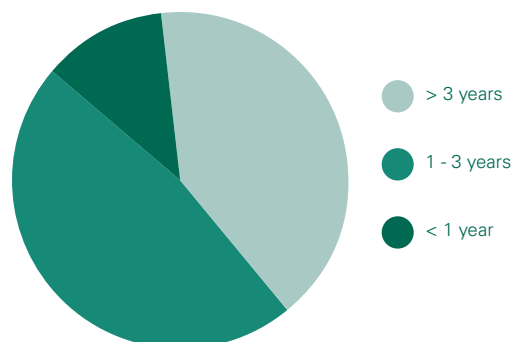
“The Latin America Division invested in a number of activities aimed at improving operational excellence. They include investments in human resources (including training), centralisation of all engineering activities and an unrelenting focus on improving our Terminal Health Assessment by having experts carrying out audits. Improving our cost efficiency is also a spearhead in our strategy. We have made an important stride forwards in this respect with the Operational Efficiency Improvement (OEI) project. Each terminal is running an OEI program with everyone taking an active part during the past year. We will continue to improve processes in the coming year as part of the worldwide Process Improvement program, which is based on Lean.”

## Customers and service

“Efficient operating processes go hand in hand with excellent service provision. By working smarter and more efficiently, you provide customers with better service while also saving costs. We make a point of building and maintaining sound relationships with our customers, which in the Latin American culture is an aspect that simply cannot be ignored. Their appreciation for our services is shown by our good results in the annual customer satisfaction survey. We will continue to try and further improve our service in 2010.”

—  
Jos Steeman, Division President Latin America

## Contract position











## Risks and risk management

A clear strategy which plainly identifies a company's opportunities and risks is vital for doing business successfully. It is complicated to assess the seriousness, impact and timing of risks and opportunities properly. It is a core duty of the Executive Board to make decisions based on thorough analyses and to communicate the significance of the strategy within the organization and to the market. Consequently, communication on opportunities and risks is essential. At Vopak, this is done at every level of the organization making risk management an integral part of our day-to-day operations, which is fundamental to implementing the corporate strategy successfully.

Risks are managed even more intensively in times of recession and sometimes unstable markets. Vopak has a high reputation to maintain in this area. Our level of excellence in risk management improved further in 2009, partly because the divisions have put emphasis on their leadership role in this area.

This section explains the principal risks, set out in order of our strategic targets: growth leadership, customer leadership and efficiency leadership.

### Growth leadership

#### Worldwide recession has no major impact on Vopak in 2009

Although Vopak had relatively few problems as a result of the worldwide recession during 2009, outstanding receivables and suppliers' solvency are being monitored more closely as a precaution. In addition, programs were started to further improve cost-control and opportunities for growth were re-prioritized.

Capital has become scarcer and tighter conditions are being imposed on credit. Sufficient financial scope to further shape our growth ambitions has, however, been created by placing private loans and issuing cumulative financing preference shares.

The recession is not yet over, however, and its effects could still be noticeable in 2010. External financing is guaranteed, and we continue to undertake well thought-out scenario planning to determine the correct pace of investment for growth.

#### Increasing competition

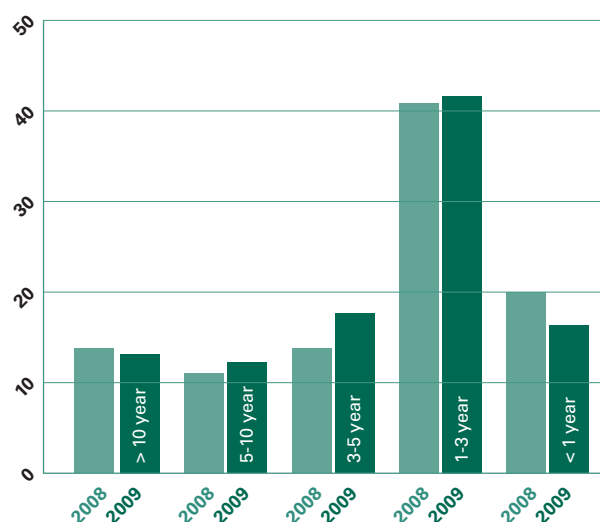
In a dynamic marketplace, both existing competitors and new players could threaten Vopak's market position. In recent years, we have faced increasing competition from existing providers in the storage industry, but various

newcomers, in particular private-equity and infrastructure funds, have entered our market.

In response to this development, Vopak is giving priority to rapid growth, especially in logistically strategic locations. We are also aiming to achieve higher customer satisfaction by providing maximum service levels and highly efficient operational processes. In addition, we seek to enter into longer-term sales contracts. We were successful in this respect in 2009, with 83% (2008: 80%) of our revenue coming from contracts with durations of longer than one year. The increase in revenue from such longer contracts seen in OEMEA, CEMEA, China and Latin America has not yet spread to Asia and North America.

We are working on effective cost management and providing high service levels in order to offer competitive prices. Maintaining and strengthening our market position depends on optimal use of our worldwide network.

**Revenue in relation to contract duration**  
As a percentage



#### Sector developments provide a mixed picture

The current economic uncertainty has affected our markets to varying degrees. The picture in some sectors is unclear, while other markets are steady or even offer attractive opportunities for growth. This is certainly the case in the oil storage market, which is particularly robust. Prospects for chemicals are excellent in China, and steady in Latin and North America. In Europe, however, the market for chemicals is volatile. This situation is expected to improve when the world economy recovers permanently from the crisis. Investment in the Middle East chemicals market may have ongoing consequences for worldwide logistics flows. As a tank terminal company with global operations, Vopak is excellently positioned to capitalize on any resulting new opportunities.

## Customer leadership

### Customer satisfaction reduces risk

High-quality service is of fundamental importance to our commercial strategy and we are pleased with the results of our annual customer satisfaction survey that show that our customers' satisfaction improved further. In order to maintain that result, we are continuing to give our full attention to focusing on customers when doing business and during operational activities. We aim to provide even better service through training courses and competence management, standardization of processes and further improvements to our information systems.

The Vopak Service Quality Index (VSQI) shows that various business processes were tightened up in 2009. We will continue our efforts in this field in 2010. In the end, the quality of our service is the most important distinctive factor for choosing Vopak, which is why we seek to make continuous improvements.

## Efficiency leadership

### Safety and environmental risks unchanged

Vopak continues to give safety the highest priority.

Various new standards came into effect last year.

Our procedures, audits and training courses mean that the number of operational incidents, spills and contaminations fell compared with the previous year.

Our ambition and targets are aimed at realizing further enhancements in the near future.

Lost Time Injuries (LTIs) - accidents resulting in sick leave - rose in the same period. Taking into account the increased level of activities, the average risks remain at the same level as last year. In order to reduce this level, we continue to emphasize the importance of health and safety and the environment through internal communications, training courses on visible leadership and the sharing of best practices. Programs at division level have already proved successful. The number of LTIs at CEMEA is falling, thanks in part to the clear and practical communication campaign. The section on corporate social responsibility (pages 30-34) provides details of the implementation of the internationally recognized guidelines of the Global Reporting Initiative to limit the associated risks regarding safety and environment.

### Lower risks of human resources shortage

As a company with worldwide operations and a leader in the tank terminals market, we always face the possibility of our people being approached and recruited by competitors or customers. Vopak is also a rapidly growing company meaning that we could become short of capable people in key positions. The recession means that this risk is temporarily lower, but management believes that these risks

are structurally excessive and so the following measures have been taken:

- We aim to take on sufficient people to cover the expected outflow, offering a competitive remuneration package and an environment in which new employees can develop quickly in the organization.
- Our HR strategy has been tightened and is in line with our three strategic pillars. There are further developments on the agenda of HR instruments such as the Leadership Fundamentals, talent management, performance management based on a worldwide talent-management strategy, leadership and management development, and further improvements to the HR organization with more efficient processes and a supporting HR information system. Succession and personnel policy for senior management is coordinated centrally.
- Our employee satisfaction survey is also being continued. Previous surveys showed that our employees are prepared to make every effort. Their satisfaction is high, as is their pride in the company and their willingness to stay. All in all, we are trying to retain the good elements and implement improvements as required. Examples are matters such as salary, personal development and opportunities for growth, and work pressure.

### Insurable risks

Vopak's enterprise risk management (ERM) approach offers insight into the potential dangers the company could face. Our insurance policy aims to strike the right balance between arranging insurance cover for the Group's risks and financing them ourselves, or transferring such risks to external insurance companies. The principal factors underlying our insurance policy are risk tolerance and risk transfer costs. On this basis, Vopak has purchased worldwide insurance cover for such risks as product and third-party liability, fire and business interruption.

Vopak's risks have been financed by using a combination of self-financing (using a captive reinsurance company) and transferring the risks to the insurance market. Owing to recent trends in the financial markets, our policy has been to review the financial credit ratings of the insurance companies involved on a regular basis and, where appropriate, spread risks across other insurance companies.

### Legal and tax risks

Some stocks that we store and transport for customers are subject to import duties. The financial risk for Vopak as a result of these duties being levied has risen as more products on which duties are levied, such as ethanol, have been transported. Adequate working capital and inventory management and supporting processes are preconditions that we safeguard through a key control framework and a diagnostic instrument that is implemented globally. Where necessary, control mechanisms are being tightened.

The effects of stricter environmental regulation are covered as far as possible by making specific and sustainable investments and by sharing the risks with customers.

### **Financial risks**

Our financial risks are considered in detail from page 95.

#### **Currency and exchange rate risks**

The currency exchange risks associated with foreign activities are limited. As a rule, income, expenditure and financing are in the same currency.

The main foreign currency risk is known as the translation risk. This arises on conversion of the results, on the one hand, and capital invested, on the other, from Singapore dollars and US dollars to euros. The euro is the currency we use in our financial reporting.

Sensitivity to exchange rate movements of the Singapore dollar (SGD) and the US dollar (USD) is as follows. A movement of 10 cents in the USD exchange rate against the euro affects Vopak's net profit by EUR 4.6 million. A movement of 10 cents in the SGD exchange against the euro affects Vopak's net profit by EUR 2.4 million. As required by IFRS 7, a sensitivity analysis has been performed on the balance sheet items. The results are set out on page 96.

Each quarter, exchange rate risks relating to the translation of capital invested, comprising equity and internal financing, of foreign operations are established and the optimum hedging/financing strategy is reviewed and submitted to the Executive Board for approval. Net investment in foreign activities is generally hedged by loans in the same currency, supplemented where necessary with cross-currency interest rate swaps and forward exchange contracts, and hedge accounting is applied.

#### **Interest rate risks**

Vopak's policy on interest rate risks aims to control the net finance costs resulting from fluctuations in market interest rates, taking into account the company's long-term profile. The funds obtained recently from private placements mean that we have long-term funding at fixed interest rates.

#### **Refinancing and liquidity risks**

Vopak is a capital-intensive company. The financing policy is intended to create and maintain an optimal financing structure that takes into account the existing assets and the investment program. Vopak seeks access to the capital markets so that funding capital is always available at a time of our choice at acceptable cost. Accordingly, we have a proactive financing policy so that we can act flexibly irrespective of the prevailing financing climate. Sufficient funding was created during the past year by placing private loans and

issuing cumulative financing preference shares. Subsidiaries are funded centrally by the corporate treasury department, which acts as a type of in-house bank. Where possible, joint ventures are funded by debt on a non-recourse basis for Vopak.

Liquidity requirements are monitored continuously. Long-term liquidity risks are established each quarter and ahead of every significant investment. Active cash management is a daily responsibility.

As far as possible, derivatives and cash are spread evenly among a select group of financial institutions. Vopak applies daily limits on cash. The risks at each financial service provider are established regularly. Any action required is taken in line with Vopak's treasury policy.

#### **Credit risks**

Vopak faces credit risks on outstanding receivables, derivatives and cash. Vopak is also dependent on the financial strength of suppliers, including construction companies. The danger of bad debts is generally limited as the value of products we store for a customer usually exceeds the amount owed by that customer and Vopak can often seize those products, although other creditors may have preference in the event of a bankruptcy. Our credit management includes assessing our business partners' financial position; this is a careful process but cannot prevent all credit risk. In view of the global financial crisis, Vopak has intensified credit management and monitoring of outstanding receivables and stored products.

#### **Management of pension risks**

Vopak operates a large number of pension schemes including defined benefit schemes. The liabilities and pension charges related to the defined benefit schemes are subject to risks regarding changes in discount rates, plan asset values and returns derived from these assets, future salary increases, inflation and life expectancy. Such changes can negatively influence the liabilities and necessitate additional future pension charges under IAS19. A sensitivity analysis with respect to the impact on pension charges of changes in the major assumptions is included in note 27 to the consolidated financial statements (see page 129).

The risks of market related fluctuations in the value of plan assets are managed through prudent investments strategies and close monitoring. Asset liability modeling, including stress scenario testing, is part of the portfolio management.

On a local basis cash contributions may be needed if local funding levels deteriorate. These contributions are subject to local arrangements and legal requirements. Vopak aims to reduce the volatility in cash contributions as much as possible.



## Financial reporting

Vopak prepares its financial reports using reliable systems with clear procedures, solid internal controls and integrity in reporting. The various duties are segregated, performed by trustworthy professionals and tested in specific audits. The results of internal and external audits are discussed with terminal and divisional managers each quarter. Vopak gives a great deal of attention to these procedures. We use a finance excellence model to support terminals and divisions in developing their financial departments.

Reports are prepared using a clearly-defined, mandatory process with regular consultations across the management layers involved. The reports and related discussions are not limited to the financial results but also cover key operational, human resources and commercial performance indicators. Joint ventures and associates are included in this process and there is at least one Vopak representative in a supervisory role in the organization who pays particular attention to these points.

Vopak has an efficient internal control structure. A number of controls are automated to reduce the risk of variations and errors. A specific group of representatives from the Control & Business Analysis department and from all divisions is responsible for the ongoing application and enhancement of internal control procedures. Staff at the terminals are instructed about IFRS standards and are kept up to date about amendments. The potential impact is assessed promptly. External advisors are engaged to value acquisitions (purchase accounting method). The external auditor examines compliance with IFRS at the main terminals using standards set in IFRS and Vopak's accounting manual.

## Risk management

As noted above, Vopak wants to keep risks even more closely under control during the coming year. Risk management is already strongly embedded in all layers of the organization. Divisional managers assess risks and set and check the effect of the strategy for risk mitigating actions and monitor effective implementation. Risk reports are prepared and topics are analyzed at the corporate level. It is safeguarded that enterprise risk management receives sufficient attention in the Stratcom. The Stratcom's members are the Executive Board and division presidents who meet three times a year. This committee selects what are known as risk themes, and appoints functional directors at corporate level to develop the right approach to these themes.

### Our risk appetite remains unchanged

Vopak has 79 terminals in 31 countries. This extensive network adds value to our internationally operating customers and enables us to spread the risks of political

and economic instability in an entrepreneurial manner. Every Vopak location pays considerable attention to environmental risks and attempts to keep safety risks to the absolute minimum. Many products we store and transport are potentially harmful to public health and the environment. Our focus on safety is reflected in the design of our terminals, the conduct of our employees and in our policy and standards, which meet or exceed local legislation and regulations. Our employees undergo permanent training to keep know-how, skills and conduct up to standard. Key performance indicators are monitored monthly and there are also internal and external audits.

We are prepared to take greater risks in some areas than in others. Taking calculated risks to benefit from exceptional opportunities is part of our growth strategy. To ensure that risks and the loss of opportunities are sufficiently under control, each business decision is supported by a balanced system of selection, prioritization, internal financial and operational reviews and authorization profiles. We rarely incur operational or legal risks. Our standards and values are set out in the 'Vopak Values', which guide our actions. We make no concessions on this. Where it involves our business, we ensure proper funding and have adequate cash and cash equivalents available on time for developing growth projects.

## Risk Management Framework

### Risk management and the internal control structure

The aim of our risk management and internal control structure is to achieve a balance between an effective, professional enterprise, and the risk profile that we are aiming for as a business. Our risk management and internal controls, based on the COSO Enterprise Risk Management Framework, make a significant contribution to the prompt identification and adequate management of strategic and market risks. They also support us in achieving our operational and financial targets and complying with legislation and regulations.

### Risk management approach

The Executive Board, under the supervision of the Supervisory Board, has ultimate responsibility for Vopak's risk management and internal control structure. The divisional management teams are responsible for implementing the strategy, achieving results, identifying underlying opportunities and risks and ensuring effective operations. They have to act in accordance with the policy and standards set by the Executive Board, in which they are supported by corporate departments.

Each division's management has integrated risk management into business activities and strategic operations. Opportunities and risks, and follow-up of

measures to mitigate risks are discussed at this level as part of the standard management review cycles. The quality of the ERM approach is subject to regular internal audits. At the corporate level, this process is coordinated and the ERM information from the divisions is analyzed.

The Executive Board approves the annual budget and two-year plans for each division. These budgets contain clear objectives for each of the three strategic pillars, risks and opportunities, activities and performance indicators. It also designates the managers with ultimate responsibility.

To avoid execution risk, the Executive Board discusses the conditions (enablers) with the divisions. Each quarter, the Executive Board and the Division Management Team discuss progress on implementing the company's strategy, business plans, key performance indicators, quarterly results, key risks, opportunities and progress on mitigating measures.

At the end of the year, terminal and divisional managers use the Control Risk Self-Assessment to establish how effective the risk management and internal control structure have been. The results of this questionnaire, developments during the past year and departures from trends are discussed with the Executive Board.

The Executive Board, which bears ultimate responsibility for the proper functioning of risk management and the internal control structure, discusses the company's results, key performance indicators and strategy (and adjustments to it), the results and effectiveness of risk management and the internal control structure with the Audit Committee and the Supervisory Board. Corporate Internal Audit provides further assurance on the functioning of risk management and the internal control framework. The external auditor also offers assurance on the internal control framework and the adequacy of the financial reporting systems. The results are discussed with the Audit Committee.

Each half-year and the financial year are closed when the management of the company concerned, the divisions and the Executive Board sign Letters of Representation.

Our in-control statement is included on the next page.

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## Directors' statements

### In-control statement

In the Risks and Risk Management section (pages 56 through 60) we set out in detail our risks and risk management framework, as well as the responsibilities of the Executive Board.

In compliance with the best practice principles laid down in the Dutch Corporate Governance Code, and taking into account the limitations outlined below, we confirm that our internal risk management and control systems relating to financial reporting risks functioned correctly in 2009. We further state that in all other respects the risk management and control systems relating to the financial reporting functioned correctly during 2009.

Our internal risk management and control systems are, however, unable to offer absolute assurance that the strategic, operational, and financial objectives will be fully achieved, or that laws and regulations are always complied with. Furthermore, the systems cannot prevent all human errors of judgments and mistakes. It is also inherent that in business, cost-benefit assessments must be made for the acceptance of risks and the implementation of controls. We continue to further improve and optimize our internal risk management and control procedures.

### Executive Board declaration

Pursuant to the Financial Supervision Act, Section 5:25c, paragraph 2, sub-paragraph c, we declare that, to the best of our knowledge:

- a) the financial statements on pages 76 through 163 give a true and fair view of the Group's assets, liabilities, financial position and profit or loss; and
- b) the Report of the Executive Board on pages 21 through 61 gives a true and fair view of the situation on the balance sheet date, of developments during the financial year of the company and entities affiliated with it; and
- c) on pages 56 through 60, the Report of the Executive Board includes a description of the principal risks the company faces.

Rotterdam, 11 March 2010

### The Executive Board

John Paul Broeders (Chairman)  
Jack de Kreij (CFO)  
Frans de Koning

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## Information for Shareholders

### Information per ordinary share of EUR 1.00

In EUR	2009	2008
Earnings	3.92	3.40
Earnings excluding exceptional items	3.84	3.24
Shareholders' equity <sup>1)</sup>	17.93	14.55
Dividend (proposal 2009)	1.25	1.10
Pay-out ratio	32%	32%

<sup>1)</sup> Following redemption of equity capital relating to financing preference shares

### Number of shares outstanding

	2009	2008
Weighted average	63,194,223	62,331,686
Weighted average, diluted	63,194,223	62,347,028
At year-end	63,917,715	62,450,656

### Major holdings

Pursuant to the Major Holdings and Listed Companies Act, a shareholding of 5% or more in a Dutch company must be disclosed. Vopak has received the following notifications concerning such holdings of ordinary shares and financing preference shares.

### Royal Vopak shareholders

	Ordinary share- holdings <sup>1)</sup>	Total share- holdings <sup>2)</sup>	Voting right <sup>3)</sup>	Date of notification
HAL Holding N.V.	48.15%	39.70%	46.40%	01-11-2006
ING Groep N.V.	5.50%	9.95%	5.50%	21-05-2008
Aviva Plc (Delta Lloyd)	< 5%	6.89%	< 5%	01-11-2006
Fortis Utrecht N.V.	< 5%	5.43%	< 5%	06-10-2008
Stichting Administratiekantoor Financieringspreferente Aandelen Vopak ('the Foundation')			2.84% <sup>4)</sup>	01-11-2006

<sup>1)</sup> Number of ordinary shares divided by total number of ordinary shares

<sup>2)</sup> Number of ordinary shares and financing preference shares divided by the total number of ordinary shares and financing preference shares

<sup>3)</sup> Number of ordinary shares divided by the total number of votes of ordinary and financing preference shares

<sup>4)</sup> AFM reporting indicates 23.75%. The variance is due to an incorporated limit of hundred and sixteen votes for every thousand financing preference shares. See also on page 157

## Investor relations policy regarding bilateral contacts with shareholders

### General

Vopak conducts an open and active information policy for investors and other parties interested in the status (financial and otherwise) of the company. The objective is to provide quality information to stakeholders about developments at Vopak, ensuring that relevant information is equally and simultaneously provided and accessible to all interested parties. Such information is made available through annual and semi-annual reports, trading updates, press releases, presentations to investors and the Vopak website. In addition, Vopak organizes analyst conferences and regular road shows to meet investors.

### Bilateral contacts

Vopak may engage in bilateral contacts with (potential) shareholders. The main objectives of such bilateral contacts are to explain Vopak's strategy and operational performance and to answer questions from (potential) shareholders. Vopak takes the Dutch Corporate Governance Code (December 2008) into account when engaging in bilateral contacts with shareholders.

Therefore the following guidelines have been established:

- A dialogue with shareholders outside the context of a formal shareholder meeting can be useful for both investors and Vopak.
- Vopak reserves the right to determine, at its sole discretion, whether it will accept invitations from shareholders, or parties representing shareholders, to engage in such a dialogue. Vopak may ask for further clarification on the views, aims and investment objectives of such shareholders before accepting or rejecting any invitation to engage in dialogue outside the context of a formal shareholder meeting.
- Vopak communicates as open as possible to maximize transparency.
- Response to (draft) analyst reports (third party publications) is only provided by reference to public information and published guidance. Comments to these reports are given only for incorrect factual information.
- Vopak's contacts with investors and sell side analysts will at all times be conducted in compliance with applicable rules and regulations, in particular those concerning selective disclosure, price sensitive information and equal treatment.

### Closed periods

Closed periods are the periods prior to the publication of financial results during which in principle no meetings will be held with and no presentations will be given to financial analysts and investors. In addition, during closed periods no other communication with analysts and investors will take place, unless such communication would relate to factual clarifications of previously disclosed information. Usually the length of the closed period is eight weeks prior to full year results (and publication of the Annual Report), 4 weeks



prior to half-year results and 2 weeks before Q1 and Q3 statements ('trading updates').

### Activities

Members of the Executive Board and employees of the Investor Relations department met more than 300 current or potential investors during 2009. Vopak holds a press conference coinciding with the publication of the annual results. Following the publication of the annual and semi-annual results, Vopak also holds a meeting with financial analysts. The first and third quarter results publication is followed by a telephone conference. These sessions can be followed via the company's website in either a video or audio webcast of the conference and the information presented at these meetings is also timely published on the company's website.

### Dividend policy

Barring exceptional circumstances, the principle underlying Vopak's dividend policy is the intention to pay an annual cash dividend of 25% to 40% of the net profit excluding exceptional items attributable to holders of ordinary shares.

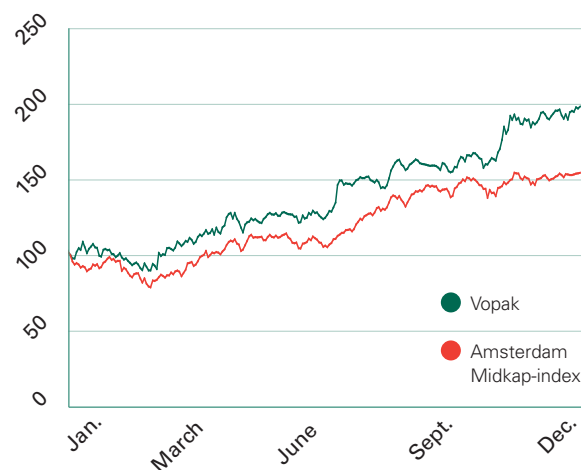
The net profit excluding exceptional items that forms the basis for dividend payments may be adjusted for the financial effects of one-off events, such as changes in accounting policies, acquisitions and reorganisations.

In setting the amount of the dividend, account is taken not only of the company's desirable capital ratios and financing structure, but also of the flexibility it requires to successfully pursue its growth strategy. At the same time, Vopak seeks to assure its shareholders of a stable trend in dividends.

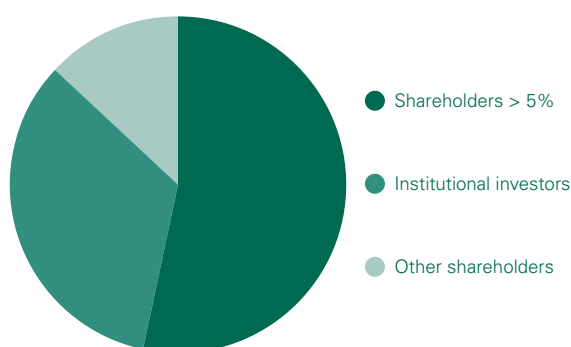
### Financial calendar

27 April 2010	Publication of 2010 first quarter results in the form of a trading update
27 April 2010	Annual General Meeting
29 April 2010	Ex-dividend quotation
03 May 2010	Dividend record date
04 May 2010	Dividend payable
27 August 2010	Publication of 2010 first half year results
12 November 2010	Publication of 2010 third quarter results in the form of a trading update
10 March 2011	Publication of 2010 annual results
27 April 2011	Publication of 2011 first quarter results in the form of a trading update
27 April 2011	Annual General Meeting
29 April 2011	Ex-dividend quotation
03 May 2011	Dividend record date
23 August 2011	Publication of 2011 first half year results
10 November 2011	Publication of 2011 third quarter results in the form of a trading update

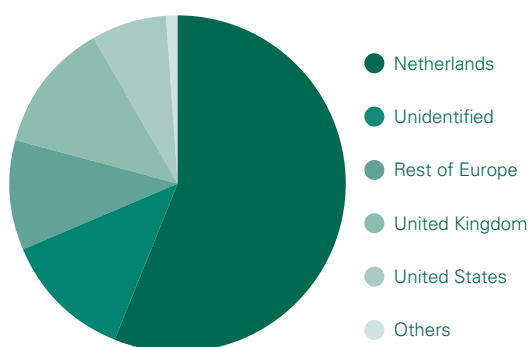
### Share price movement 2009 (%)



### Distribution of Vopak shares



### Geographical distribution of holders of shares outstanding









## Corporate Governance

### Introduction

Vopak complies with the majority of the principles and best practices laid down in the Dutch Corporate Governance Code, as amended on December 10, 2008 (the 'Code'). The number of exceptions to the best practice provisions in 2009 increased by two compared to 2008. The exceptions are explained below. For our stakeholders and in accordance with prior recommendations of the Monitoring Committee Corporate Governance Code (the 'Monitoring Committee'), we include transparent, specific and concise information on the various risks and the manner in which the organization manages these risks in our external accountability and reporting on risks and risk management. We have closely monitored the results of the consultative sessions on the preparation and effectiveness of the General Meeting of Shareholders (the 'General Meeting') initiated by the Monitoring Committee as well as the dialogue between the company and its shareholders. We reviewed and discussed the implications of the new Code for Vopak. For instance, Vopak has developed a Sustainability Policy and the changes in respect of topics related to remuneration have been addressed.

### Structure and Policy

Vopak attaches considerable importance to striking a sound balance between the interests of the company's various stakeholders. Integrity, openness, supervision, transparent reporting and accountability are the cornerstones of Vopak's corporate governance policy. Vopak also seeks to deal carefully with social issues and has developed a clear policy towards Sustainability. Vopak confirms that the principles reflected in the Code are in line with those applied by Vopak.

The Executive Board is responsible for the management of the company and hence for the realization of Vopak's strategic and other objectives, including those for health, safety, the environment (part of sustainability) and quality, strategy and policy, and the related development of results.

The Supervisory Board supervises Vopak's overall performance, including the policies pursued and results achieved by the Executive Board, the company's financial situation, as well as its financial statements. The Supervisory Board also reviews the strategy of Vopak, as proposed by the Executive Board. Similarly, it approves important proposals for capital expenditures, acquisitions and divestments and changes in financial and other corporate policies and the annual budget. The Supervisory Board also has the responsibility to evaluate the performance of the Executive Board as a whole and of its individual members and proposes to the General Meeting any changes in the composition of the Executive Board. Similarly, the Supervisory Board annually reviews its own performance and proposes to the General Meeting the appointment of new members to and departure of

existing members from the Supervisory Board. Finally, the Supervisory Board sees to it that the company's policies are formulated and pursued in the interest of all its stakeholders, including shareholders and personnel and that these policies have a durable and sustainable nature and meet the highest ethical standards. The members of the Executive Board and the Supervisory Board are appointed by the General Meeting on the basis of a non-binding recommendation by the Supervisory Board. The General Meeting is also authorized to suspend and dismiss members of the Executive Board and the Supervisory Board. Since Vopak qualifies as an international holding company within the meaning of the Large Companies Act, it is exempted from the provisions of that Act.

The Supervisory Board has been carefully selected to ensure inclusion of members with a diverse background and experience in the areas relevant to the core business of Vopak, and with experience in the foreign markets on which Vopak operates. Their experience ranges from economic, financial, technical, operational and social fields, to political and business-related ones. The Supervisory Board, in performing its duties, focuses on the realization of the objectives of the company and the strategy and its implementation. The Supervisory Board appoints an Audit Committee, a Remuneration Committee and a Selection and Appointment Committee from among its members. In accordance with the provisions of the Code, Vopak has further specified the role and powers of these committees in specific regulations for them. In addition to the power to appoint, suspend and dismiss members of the Executive Board and Supervisory Board, the General Meeting has other key powers such as the passing of resolutions on amendments to the Articles of Association, legal mergers and split-offs, and the adoption of the financial statements and profit appropriation. Furthermore, the General Meeting sets the remuneration policy for the Executive Board, and significant amendments to the policy are subject to its approval. The General Meeting also sets the remuneration of the members of the Supervisory Board. The remuneration of the members of the Executive Board is set by the Supervisory Board on the basis of a proposal from the Remuneration Committee, in accordance with the remuneration policy adopted by the 2009 General Meeting. The 2009 General Meeting approved proposals to amend the remuneration policy. Vopak will continue to facilitate proxy voting. Vopak makes use of the ability provided by its Articles of Association to set a registration date for the exercising of voting and attendance rights.

### The Dutch Corporate Governance Code

Vopak has evaluated its corporate governance structure against the Code and concluded that it satisfies the principles and best practice provisions of the Code with the five exceptions below to the best practice provisions of the Code applied in 2009. This means that compared to 2008 two exceptions have been added, with regard to best practice provisions III.3 and III.5.11.



**Best practice provision II.1.1 (appointment of Executive Board members for four years)**

The term of Mr De Kreij's contract of employment is not in accordance with this provision. The contract was concluded for an indefinite period of time and before the Code came into effect.

**Best practice provision II.2. (independence of Supervisory Board members)**

Two members of the Supervisory Board, Mr Van der Vorm and Mr Van den Driest, do not currently satisfy all independence criteria of the Code, which is not in accordance with this best-practice provision. The Supervisory Board and the Executive Board are of the opinion that both gentlemen offer considerable added value to the Supervisory Board. Regarding Mr Van der Vorm, this added value particularly consists of his capabilities, knowledge and experience in managing and investing in internationally operating companies. For Mr Van den Driest, his knowledge of logistic services, tank storage activities, the port of Rotterdam and familiarity with the company, which he acquired over many years in different capacities, as Chairman of the Executive Board up to 1 January 2006, in particular have considerable added value for the Supervisory Board. The General Meeting has approved the (re) appointment of Mr Van der Vorm and Mr Van den Driest during the respective General Meetings.

**Best practice provision II.2.8 (maximum severance pay)**

The contract of employment between Vopak and Mr De Kreij is not in accordance with this provision. In the event of his dismissal, Mr De Kreij will be contractually entitled to at least two years' salary. Such severance pay may also become due if Mr De Kreij cannot reasonably be asked to fulfill his duties any longer as a result of changes in circumstances, for example if a public bid is being made. The contract was concluded before the Code came into effect and rights acquired may not be impaired.

**Best practice provision III.3 (expertise and composition Supervisory Board)**

This best practice provision relates to diversity and states that the Supervisory Board should strive for a diverse composition as to gender and age and should formulate concrete targets to achieve this. The Supervisory Board of Vopak strives to a diverse composition of its board and has formulated key elements of the profile of members of the Supervisory Board. These elements are available on the corporate website, corporate governance section. Vopak does not strictly follow the recommendation to put an explicit target on diversity in terms of gender nor age and has not formulated concrete targets in this respect. Overriding principle for Vopak is that the Supervisory Board has a diverse composition of persons with a valuable contribution to the board in terms of experience and knowledge of the oil, petrochemical or LNG industry or other business knowledge, regardless of gender or age.

**Best practice provision III.5.11 (Remuneration Committee)**

With respect to this best practice provision, it should be noted that Mr Van den Driest has been appointed Chairman of the Remuneration Committee in order to succeed Mr Van Loon. Mr Van den Driest is a former managing director of Vopak who left the company on January 1, 2006. Even though Vopak believes that Mr Van den Driest is highly suitable to perform the role of Chairman of the Remuneration Committee given his background and experience, the composition of the Remuneration Committee will be reviewed in the course of 2010.

Vopak has various sets of regulations in place governing the performance of its various bodies and ensuring implementation of the rules applicable within Vopak. These regulations have been amended in line with the Code, recent legislative amendments and decisions made by the Supervisory Board from time to time. The regulations can be consulted on the Corporate Governance section of the company website: [www.vopak.com](http://www.vopak.com). The regulations are:

- Regulations of the Executive Board
- Regulations of the Supervisory Board
- Regulations of the Audit Committee of the Supervisory Board
- Regulations of the Remuneration Committee of the Supervisory Board
- Regulations of the Selection and Appointment Committee of the Supervisory Board
- Regulations in respect of the ownership of and transactions in Vopak shares and certain other financial instruments as amended on the basis of the Act on Financial Supervision. Vopak also maintains the Insider Lists specified by this Act
- Regulations on suspected irregularities ('whistle-blower regulation')

The following items also appear on the website:

- Articles of Association
- Information on the members of the Executive Board and Supervisory Board and the composition of the core committees
- Profile of the Supervisory Board
- Retirement schedule for the Supervisory Board members
- Retirement schedule for the Executive Board members
- Policy related to bilateral contacts with shareholders
- Code of Conduct
- Corporate Governance Compliance Manual
- Remuneration report, containing the main points of the remuneration policy
- Report of Stichting Administratiekantoor Financieringspreferente Aandelen Vopak
- Management Authorization Policy

### Anti-takeover Measures

Vopak's principal defense against a hostile takeover is the company's ability to issue cumulative preference shares ('Protective preference shares') to Stichting Vopak. Such defensive preference shares will be issued, should Stichting Vopak exercise its option right. On 18 October 1999, the General Meeting decided to grant Stichting Vopak the right to take up protective preference shares up to a maximum nominal amount equal to 100% of the share capital issued at that time to third parties in the form of ordinary and financing preference shares, less one ordinary share. Vopak and Stichting Vopak further formalized their relationship with regard to the option right in an option agreement of 1 November 1999. This agreement was amended on 5 May 2004, whereby the original put option granted to Vopak was cancelled. The granting of the option to Stichting Vopak has been entered in the Company Registry and is disclosed in this Annual Report. The object of Stichting Vopak is to promote the interests of Vopak and of the enterprises undertaken by Vopak and companies affiliated to the Vopak group, in such a way that the interests of Vopak and of those enterprises, and of all stakeholders are safeguarded to the greatest possible extent and, to the best of its ability, to resist influences which, opposing those interests, could impair the independence and/or continuity and/or the identity of Vopak, and those enterprises, and to undertake all actions relating to or conducive to the above objectives. The Board of Stichting Vopak therefore determines whether and when it is necessary to issue the protective preference shares. The anti-takeover measures outlined can be taken in, for example, a takeover situation if taking them is in the interests of Vopak to establish its position in respect of the hostile party and its plans, and to create opportunities for seeking alternatives. The anti-takeover measures will not be applied to protect the position of the Executive Board. As necessary, Vopak reviews its anti-takeover measures against implementation acts enacted from time to time pursuant to EU directives.

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# Corporate Governance Report

## Introduction

This report is included in pursuance of Section 2a of the Decree of 23 December 2004 for the adoption of further regulations governing the contents of the annual report ('the Decree'). It sets out the statements referred to in Sections 2, 3a, and 3b of the Decree. Where reference is made to other sections of this Annual Report, the passages set out there must be deemed to be inserted and repeated here.

## Compliance with the Dutch Corporate Governance Code

Vopak complies with the Dutch Corporate Governance Code ('the Code'). The English and Dutch versions of the Code can be downloaded from [www.commissiecorporategovernance.nl](http://www.commissiecorporategovernance.nl). The statement on compliance with the principles and best practice provisions of the Code addressed specifically to the Executive Board or Supervisory Board can be found in the 'Corporate Governance' section on page 67.

## Management and control systems

The statement on the principal features of the management and control systems of Koninklijke Vopak N.V. ('Vopak') and of the group whose financial information is included in its financial statements can be found in the 'Risk and risk management' section on pages 56 through 60.

## The general meeting of shareholders

Vopak's shareholders exercise their rights in the annual and extraordinary general meetings of shareholders. The annual general meeting of shareholders must be held no later than 30 June each year. The agenda for the meeting must state certain subjects as described in Vopak's Articles of Association or in the law, including adoption of the financial statements. Extraordinary general meetings of shareholders are held at the request of the Executive Board, the Supervisory Board, or one or more holders of shares or depositary receipts that, solely or jointly, represent at least one-tenth of the company's issued share capital.

A subject for which discussion has been requested in writing by one or more holders of shares or depositary receipts that, solely or jointly, represent at least one-hundredth of the company's issued share capital or a value of at least EUR 50 million, will be stated in the convocation of the meeting or announced in the same manner, provided that Vopak receives such request no later than on the thirtieth day before the date of the meeting and provided that it does not conflict with any of Vopak's overriding interests.

In general meetings of shareholders, resolutions may be passed by absolute majority of the number of votes cast, unless Vopak's Articles of Association or the law prescribe a larger majority.

The principal powers of the general meeting of shareholders are:

- adopting the financial statements;
- approving a dividend proposal;
- discharging members of the Executive Board from liability;
- discharging members of the Supervisory Board from liability;
- adopting the remuneration policy with respect to the members of the Executive Board;
- adopting the remuneration of the members of the Supervisory Board;
- appointing, suspending, and dismissing members of the Executive Board;
- appointing, suspending, and dismissing members of the Supervisory Board;
- appointing a Dutch officially recognized accountant;
- authorizing the Executive Board to repurchase shares;
- issuing shares and granting rights to acquire shares (option rights), and designating the Executive Board as the body competent to make such decisions during a set period;
- excluding or limiting shareholders' rights of first refusal when issuing shares and granting rights to acquire shares, and designating the Executive Board as the body competent to make such decisions during a set period;
- approving decisions taken by the Executive Board pertaining to a major change in Vopak's identity, nature or enterprise; and
- resolving to amend Vopak's Articles of Association, dissolve Vopak, or enter into a merger or demerger.

## Membership and working methods of the Executive Board

Details of the members of the Executive Board can be found on page 158.

The members of the Executive Board bear joint responsibility for managing Vopak, as well as for its general affairs and that of the group companies affiliated with it. In doing so, they aim to create long-term shareholder value.

A more detailed description of the working methods of the Executive Board can be found in the Executive Board's regulations, which have been posted on the Vopak website ([www.vopak.com](http://www.vopak.com)), in the section on corporate governance.



The duties of the Executive Board include:

- verifying achievement of Vopak's objectives from time to time and, where appropriate, adjusting them;
- achieving Vopak's objectives;
- setting the strategy and associated risk profile and the policy that should result in the achievement of the objectives;
- managing the Vopak's general affairs and results;
- making financing arrangements for Vopak;
- identifying and managing the risks inherent in the business activities;
- seeking to make ongoing improvements to safety, health, and environmental performance;
- considering corporate social responsibility issues that are relevant to Vopak's enterprise;
- ensuring effective internal risk management and control systems and reporting on them in the annual report;
- making preparations for and managing the financial reporting process, which includes safeguarding the quality and completeness of the financial reports to be published;
- closely involving the Supervisory Board in a takeover process in the event that a takeover bid for the shares in Vopak is under preparation or has been made;
- complying with laws and regulations;
- complying with and enforcing compliance with the Code and Vopak's corporate governance structure;
- publishing, in Vopak's annual report, on its website and through other means, the corporate governance structure, rendering account of compliance with the Code, and disclosing any other information the Code requires;
- preparing Vopak's financial statements and annual budget, and specifying major capital expenditure; and
- rendering its advice for the nomination of Vopak's external auditor.

The Articles of Association contain a provision governing the members of the Executive Board's powers of external representation in the event that they have an interest conflicting with that of Vopak. The Executive Board's regulations include rules for internal decision-making, which are in compliance with the relevant provisions of the Code. Both Vopak's Articles of Association and the Executive Board's regulations can be found on the Vopak website.

More details of the remuneration of the members of the Executive Board (breakdown and adoption method) can be found on page 15 and 16.

## **Membership and working methods of the Supervisory Board and its committees**

Details of the members of the Supervisory Board and membership of its committees can be found in the section 'Report of the Supervisory Board' on page 14 and 15.

The Supervisory Board's duty is to supervise the management of Vopak and the general affairs of Vopak and its affiliated enterprise. It assists the Executive Board by providing advice. In discharging its duties, the Supervisory Board is guided by the interests of Vopak and its affiliated enterprise, taking into account the relevant interests of Vopak's stakeholders (which include its shareholders), aiming to create long-term shareholder value. The Supervisory Board is responsible for the quality of its own performance.

The duties of the Supervisory Board include:

- exercising supervision and rendering advice to the Executive Board on: (i) achievement of the objectives, (ii) corporate strategy and the principal risks inherent in the business activities, (iii) the design and effectiveness of the internal risk management and control systems, (iv) the financial reporting process, (v) the application of information and communication technology (ICT), (vi) compliance with laws and regulations; (vii) the company-shareholder relationship; (viii) a takeover process in the event that a takeover bid for the shares in Vopak is under preparation or has been made; and (ix) corporate social responsibility issues that are relevant to the enterprise;
- publishing, complying with and enforcing compliance with Vopak's corporate governance structure;
- approving Vopak's financial statements, annual budget, and major capital expenditure;
- selecting and nominating Vopak's external auditor;
- selecting and nominating members of the Executive Board for appointment, proposing the remuneration policy with respect to the members of the Executive Board for adoption by the general meeting of shareholders, setting the remuneration (with due observance of the remuneration policy referred to) and the contractual terms of employment of the members of the Executive Board;
- selecting and nominating members of the Supervisory Board for appointment and proposing the remuneration of its members for adoption by the general meeting of shareholders;
- evaluating and assessing the performance of the Executive Board and the Supervisory Board, including that of their individual members, and assessing the profile for the Supervisory Board and the induction and training programs;

- considering and deciding upon any potential conflicts of interest reported to it between Vopak, on the one hand, and members of the Executive Board, the external auditor, or the major shareholder(s), on the other; and
- considering and deciding upon any suspected abuse reported to it that concerns the performance of members of the Executive Board.

The Supervisory Board's regulations include rules for internal decision-making in the event of conflicting interests between one or more Supervisory Board members and Vopak. These rules are in compliance with the relevant provisions of the Code. The regulations of the Supervisory Board have been posted on the Vopak website.

More details of the remuneration of the members of the Supervisory Board (breakdown and adoption method) can be found on page 17.

More details of the duties of the committees of the Supervisory Board can be found on page 17.

#### **Information referred to in Section 1 of the Takeover Directive (Article 10) Decree.**

##### **Capital structure**

A description of Vopak's capital structure, the various classes of shares and the rights and obligations attached to them can be found in Note 22 of the financial statements on page 121. At 31 December 2009, a total of 63,917,715 ordinary shares had been issued, as well as 20,700,000 financing preference shares, all with a nominal value of EUR 1.00 each. At 31 December 2009, the ordinary shares represented 75.54% of the issued share capital, with the financing preference shares representing 24.46%.

##### **Restrictions on the transfer of shares and depositary receipts for shares**

Vopak's Articles of Association do not provide for a restriction on the transfer of ordinary shares. They do, however, provide for a restriction on the transfer of financing preference shares. Financing preference shares may only be transferred to natural persons, subject to specific exceptions involving Stichting Vopak and other parties pursuant to Article 10A, paragraph 7 of the Articles of Association. No restrictions apply to the transfer of depositary receipts for financing preference shares. Furthermore, what is known as the 1% rule applies to the financing preference shares (see Article 10A, paragraph 2 of the Articles of Association). With regard to the protective preference shares, the Articles of Association provide that any transfer requires approval from the Executive Board.

##### **Major holdings subject to mandatory disclosure**

More information on major shareholdings that are subject to mandatory disclosure pursuant to Sections 5:34, 5:35, and 5:43 of the Decree can be found in the section 'Royal Vopak shareholders' on page 62.

##### **System of control over employee share plans**

Information on share plans can be found on page 131 of the Annual Report (Share Ownership Plan).

##### **Restrictions on voting rights attaching to financing preference shares**

A description of the depositary receipts for financing preference shares and a restriction on the voting rights attaching to those shares can be found in the section 'Stichting Administratiekantoor Financieringspreferente Aandelen Vopak ('the Foundation') on page 157.

##### **Rules governing the appointment and dismissal of members of the Executive Board and Supervisory Board and the amendment of the Articles of Association**

Under Vopak's Articles of Association, members of the Executive Board and Supervisory Board are appointed and dismissed by the general meeting of shareholders. Upon the appointment of members of the Executive Board, the Supervisory Board will always make a non-binding nomination. Upon the appointment of members of the Supervisory Board, the Supervisory Board may make a non-binding nomination.

The general meeting of shareholders may only resolve to amend the Articles of Association following a proposal from the Executive Board that is subject to approval from the Supervisory Board. Such a resolution from the general meeting of shareholders requires a majority of at least two-thirds of the number of votes validly cast.

##### **Share issuance and repurchase**

The general meeting of shareholders or the Executive Board, if so designated by the general meeting of shareholders, resolves or decides on the issuance of shares. Any share issuance is subject to approval from the Supervisory Board. At 31 December 2009, no authorization to issue shares had been granted to the Executive Board. The Executive Board is authorized until 24 October 2010, however, to repurchase fully paid-up shares in Vopak's capital, subject to approval from the Supervisory Board. Any repurchase will be limited to the maximum number held by virtue of the law and the Articles of Association (10% at 31 December 2009). Their purchase price must be between the nominal value of the ordinary shares and 110% of the average share price listed on the five most recent trading days prior to the date of the purchase.

##### **Key agreements containing change-of-control provisions**

An agreement entered into with the holders of financing preference shares on 8 July 2009 provides that, in the event that a public bid for the shares in Vopak's capital is made that may result in a change of control over the shares carrying the right to cast more than 50% of the votes attaching to all issued shares in its capital, Vopak will be obliged, subject to approval from the holders of a majority of the depositary receipts for financing preference shares, to convene a general meeting of shareholders

before the period set for offering shares under the public bid has expired, in which a resolution to cancel all finance outstanding financing preference shares will be placed on the agenda for discussion.

Please also refer to the change-of-control provision on loans on page 100.

With respect to agreements entered into with members of the Executive Board and employees that provide for payment upon termination of their employment following a public bid, please refer to the description of the long-term incentive plan (LTIP) on page 93 and the Corporate Governance section, particularly the explanation of the departure from best practice provision II.2.8 of the Code on page 67.

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## Consolidated Financial Statements

### Consolidated Statement of Income

In EUR millions	Note	2009	2008
Revenues		1,001.1	923.5
Other operating income	2	20.9	15.8
<b>Total operating income</b>		<b>1,022.0</b>	<b>939.3</b>
Personnel expenses	3	274.4	250.8
Depreciation, amortization and impairment	4	131.1	109.9
Other operating expenses	5	285.9	294.8
<b>Total operating expenses</b>		<b>691.4</b>	<b>655.5</b>
<b>Operating profit</b>		<b>330.6</b>	<b>283.8</b>
Result of joint ventures and associates using the equity method	6	60.5	38.4
<b>Group operating profit</b>		<b>391.1</b>	<b>322.2</b>
Interest and dividend income	7	6.7	8.5
Finance costs	8	- 52.4	- 46.1
<b>Net finance costs</b>		<b>- 45.7</b>	<b>- 37.6</b>
<b>Profit before income tax</b>		<b>345.4</b>	<b>284.6</b>
Income tax	9	- 68.9	- 54.9
<b>Net profit</b>		<b>276.5</b>	<b>229.7</b>
Attributable to:			
– Holders of ordinary shares		247.6	212.0
– Holders of financing preference shares		3.6	1.2
– Non-controlling interests		25.3	16.5
<b>Net profit</b>		<b>276.5</b>	<b>229.7</b>
<b>Earnings per ordinary share</b>	10	<b>3.92</b>	<b>3.40</b>
<b>Diluted earnings per ordinary share</b>	10	<b>3.92</b>	<b>3.40</b>

## Consolidated Statement of Comprehensive Income

In EUR millions	Note	2009	2008
<b>Net profit</b>		<b>276.5</b>	<b>229.7</b>
Exchange differences and effective portion of hedges on net investments in foreign activities		6.6	- 2.0
Use of exchange differences and effective portion of hedges on net investments in foreign activities	23	- 0.6	0.7
Effective portion of changes in fair value of cash flow hedges		- 1.2	- 3.9
Use of effective portion of cash flow hedges to statement of income	23	1.2	1.6
Effective portion of changes in fair value of cash flow hedges joint ventures	23	0.2	- 18.4
<b>Other comprehensive income for the period, net of tax</b>		<b>6.2</b>	<b>- 22.0</b>
<b>Total comprehensive income for the year</b>		<b>282.7</b>	<b>207.7</b>
Attributable to:			
– Holders of ordinary shares		253.9	186.8
– Holders of financing preference shares		3.6	1.2
Total comprehensive income attributable to shareholders		257.5	188.0
– Non-controlling interests		25.2	19.7
<b>Total comprehensive income for the year</b>		<b>282.7</b>	<b>207.7</b>



## Consolidated Statement of Financial Position at 31 December

In EUR millions	Note	2009	2008
<b>ASSETS</b>			
Intangible assets	11	41.0	38.8
Property, plant and equipment	12	2,050.7	1,693.0
Joint ventures and associates	13	494.9	431.8
Loans granted	15	1.0	–
Other financial assets	16	0.8	0.8
Financial assets		496.7	432.6
Deferred taxes	17	5.6	6.6
Derivative financial instruments	31	9.3	2.6
Pensions and other employee benefits	27	98.0	81.9
Other non-current assets	18	28.7	23.1
<b>Total non-current assets</b>		<b>2,730.0</b>	<b>2,278.6</b>
Trade and other receivables	19	182.2	189.7
Loans granted	15	11.0	66.9
Prepayments		20.9	19.0
Derivative financial instruments	31	2.5	30.8
Cash and cash equivalents	20	189.4	49.3
<b>Total current assets</b>		<b>406.0</b>	<b>355.7</b>
<b>Total assets</b>		<b>3,136.0</b>	<b>2,634.3</b>
<b>EQUITY</b>			
Issued capital	22	84.6	81.9
Share premium	22	281.2	165.2
Treasury shares	22	- 5.7	- 3.3
Other reserves	23	- 15.4	- 21.2
Retained earnings	24	907.5	710.4
Shareholders' equity		1,252.2	933.0
Non-controlling interests	25	80.6	76.0
<b>Total equity</b>		<b>1,332.8</b>	<b>1,009.0</b>
<b>LIABILITIES</b>			
Interest-bearing loans	26	1,165.2	922.1
Derivative financial instruments	31	19.8	23.8
Pensions and other employee benefits	27	43.6	47.9
Deferred taxes	17	161.5	126.4
Other provisions	29	22.0	20.7
<b>Total non-current liabilities</b>		<b>1,412.1</b>	<b>1,140.9</b>
Bank overdrafts	20	16.8	73.9
Interest-bearing loans	26	25.1	50.0
Derivative financial instruments	31	18.1	3.7
Trade and other payables	30	280.8	321.0
Taxes payable		25.3	17.6
Pensions and other employee benefits	27	2.9	2.6
Other provisions	29	22.1	15.6
<b>Total current liabilities</b>		<b>391.1</b>	<b>484.4</b>
<b>Total liabilities</b>		<b>1,803.2</b>	<b>1,625.3</b>
<b>Total equity and liabilities</b>		<b>3,136.0</b>	<b>2,634.3</b>

## Consolidated Statement of Changes in Equity

In EUR millions	Note	Equity attributable to owners of parent					Non-controlling interest	Total equity	
		Issued capital	Share premium	Treasury shares	Other reserves	Retained earnings			Total
Balance at 1 January 2008		81.9	165.2	- 0.9	10.9	550.9	808.0	70.2	878.2
Comprehensive income for the year (see page 78)									
					- 32.1	220.1	188.0	19.7	207.7
Dividend paid in cash	24, 25					- 61.0	- 61.0	- 14.0	- 75.0
Repurchase own shares	22			- 2.8			- 2.8		- 2.8
Measurement of equity-settled share-based payment arrangements	24					0.4	0.4		0.4
Issued to option holders	22			0.4			0.4		0.4
Changes in non-controlling interest due to acquisitions and divestments								0.1	0.1
Total transactions with owners				- 2.4		- 60.6	- 63.0	- 13.9	- 76.9
Balance at 31 December 2008		81.9	165.2	- 3.3	- 21.2	710.4	933.0	76.0	1,009.0
Comprehensive income for the year (see page 78)									
					5.8	251.7	257.5	25.2	282.7
Issuance new shares	22	7.2	132.1				139.3		139.3
Dividend paid in cash	24, 25					- 20.5	- 20.5	- 20.6	- 41.1
Dividend paid in stock	22, 24		- 14.6			- 35.4	- 50.0		- 50.0
Repurchase own shares	22			- 2.9			- 2.9		- 2.9
Withdrawal financing preference shares	22	- 4.5	- 1.5				- 6.0		- 6.0
Measurement of equity-settled share-based payment arrangements	24					1.3	1.3		1.3
Issued to option holders	22			0.5			0.5		0.5
Total transactions with owners		2.7	116.0	- 2.4	-	- 54.6	61.7	- 20.6	41.1
Balance at 31 December 2009		84.6	281.2	- 5.7	- 15.4	907.5	1,252.2	80.6	1,332.8

## Consolidated Statement of Cash Flows

In EUR millions	Note	2009	2008
<b>Cash flows from operating activities (gross)</b>	<b>33</b>	<b>453.6</b>	<b>386.9</b>
Interest received		6.3	8.2
Dividend received	7	0.4	0.3
Finance costs paid		- 45.5	- 41.6
Income tax paid		- 41.5	- 37.1
<b>Cash flows from operating activities (net)</b>		<b>373.3</b>	<b>316.7</b>
Investments:			
– Intangible assets	11	- 5.8	- 5.7
– Property, plant and equipment	12	- 455.4	- 456.0
– Joint ventures and associates	13	- 36.3	- 40.4
– Loans granted	15	- 21.4	- 109.1
– Other non-current assets		- 7.5	- 1.7
– Acquisition of subsidiaries including goodwill (see page 104)		- 1.2	- 59.1
– Acquisition of joint ventures and associates	13	- 7.2	- 127.8
<b>Total investments</b>		<b>- 534.8</b>	<b>- 799.8</b>
Disposals:			
– Intangible assets		–	0.2
– Property, plant and equipment		12.4	2.6
– Joint ventures and associates		–	3.4
– Loans granted	15	75.2	66.9
– Subsidiaries		–	0.2
– Assets held for sale		16.3	44.1
<b>Total disposals</b>		<b>103.9</b>	<b>117.4</b>
<b>Cash flows from investing activities</b>		<b>- 430.9</b>	<b>- 682.4</b>
Financing activities:			
– Repayment of interest-bearing loans	26	- 485.7	- 149.4
– Proceeds from interest-bearing loans	26	727.7	503.8
– Withdrawal financing preference shares	22	- 6.0	–
– Issuance financing preference shares	22	89.2	–
– Share premium paid to holders of financing preference shares		–	- 13.0
– Dividend paid in cash	24	- 18.5	- 59.2
– Dividend paid on financing preference shares	24	- 2.0	- 1.8
– Repurchase of own shares	22	- 2.9	- 2.8
– Options exercised	22, 32	0.5	0.4
– Movements in short-term financing		- 48.1	- 45.4
<b>Cash flows from financing activities</b>		<b>254.2</b>	<b>232.6</b>
<b>Net cash flows</b>		<b>196.6</b>	<b>- 133.1</b>
Exchange differences		0.5	1.3
Net change in cash and cash equivalents due to (de)consolidation		0.1	- 2.4
Reclassifications to held for sale		–	- 0.7
<b>Net change in cash and cash equivalents (including bank overdrafts)</b>		<b>197.2</b>	<b>- 134.9</b>
<b>Net cash and cash equivalents (including bank overdrafts) at 1 January</b>		<b>- 24.6</b>	<b>110.3</b>
<b>Net cash and cash equivalents (including bank overdrafts) at 31 December</b>	<b>20</b>	<b>172.6</b>	<b>- 24.6</b>

## Principles

### General

Royal Vopak, with its registered office in Rotterdam (the Netherlands), is the world's largest independent tank terminal operator specializing in the storage and transfer of liquid and gaseous chemical and oil products. Upon request, Vopak provides additional services to customers at the terminal.

The consolidated financial statements of the company for the year ended at 31 December 2009 contain the figures of the company and its subsidiaries (jointly referred to as the 'Group'), as well as the interests of the Group in joint ventures and associates (to which the equity method is applied). The financial statements were approved by the Executive Board and the Supervisory Board on 11 March 2010 and are subject to adoption by the shareholders during the Annual General Meeting.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as approved by the European Union (EU). The amendments to standards and interpretations endorsed by the EU were as follows:

#### *(a) New and amended standards adopted by the Group*

The Group has adopted the following new and amended IFRSs as of 1 January 2009:

##### – Revised IAS 1 (Presentation of financial statements)

The revised standard, applicable as of 1 January 2009, prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity in a statement of comprehensive income. As a result the group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard. IAS 1 (revised) also requires the presentation of financial position at the beginning of the first comparative period presented if an entity has changed its accounting policies retrospectively or made retrospective restatements. Furthermore new terminology has been introduced: 'statement of income' (previously 'income statement'); 'statement of financial position' (previously 'balance sheet'); 'statement of cash flows' (previously 'cash flow statement') and 'statement of comprehensive income' (previously 'consolidated statement of recognized income and expense in equity'). The term 'minority interest' is replaced by 'non-controlling interest'. The change in accounting policy only impacts presentation aspects.

##### – Amendment to IFRS 7 (Disclosures about Financial Instruments)

The amendments are applicable as of 1 January 2009 and requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value hierarchy. The changes in accounting policy only results in additional disclosures.

##### – Amendment to IFRS 2 (Share-based payment)

The amendment deals with vesting conditions and cancellations of share-based payments and is applicable as of 1 January 2009. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are non-vesting conditions. These features would need to be included in the grant date fair value for transactions with employees and others providing similar services; they would not impact the number of awards expected to vest of valuation thereof subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The amendment does not have a material impact on the group or company's financial statements.

#### *(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group*

The following standards and amendments to existing standards, endorsed by the EU, have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2010 or later periods, but the Group has not early adopted them:



– Revised IFRS 3 (Business Combinations)

The revised standard has some significant changes: (i) All payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the statement of income; (ii) The acquirer can elect to measure any non-controlling interest on a transaction-by-transaction basis, either at fair value as of the acquisition date or at its proportionate interest in the identifiable assets and liabilities of the acquiree; (iii) When an acquisition is achieved in successive share purchases (step acquisition), the identifiable assets and liabilities of the acquiree are recognized at fair value when control is obtained. A gain or loss is recognized in profit or loss for the difference between the fair value of the previously held equity interest in the acquiree and its carrying amount; and (iv) All acquisition-related costs should be expensed. The Group will apply the revised standard prospectively to all business combinations from 1 January 2010.

– Revised IAS 27 (Consolidated and Separate Financial Statements)

The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognized in profit or loss. The Group will apply the revised standard prospectively to transactions with non-controlling interests from 1 January 2010.

– Amendment to IFRS 5 (Non-current assets held-for-sale and discontinued operations)

The amendment is part of the IASB's annual improvements project published in April 2009. The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal plan results in loss of control. Relevant disclosures should be made for this subsidiary if the definition of a discontinued operation is met. The Group will apply the IFRS 5 (amendment) prospectively to all partial disposals of subsidiaries from 1 January 2010.

– Other amendments and new interpretations

Other amendments to existing standards and new interpretations have been published and are mandatory for the Group's accounting periods beginning on 1 January 2010. These amendments in standards and new interpretations effective as from 1 January 2010 have no significant impact on the Group's basis of consolidation and disclosure requirements.

### **Basis of preparation**

The consolidated financial statements are presented in euros and rounded to hundred thousands. They are based on the historical cost principle unless stated otherwise in the accounting policies stated below.

Preparing the consolidated financial statements in accordance with IFRS means that the Group must use insights, estimations and assumptions that could affect the reported assets and liabilities and the information provided on contingent assets and liabilities as at the statement of financial position date as well as the reported income and expenses. The actual results may differ from these estimations.

The estimations and the underlying assumptions are continuously reviewed. Adjustments are made in the period in which the estimations were reviewed if the adjustment affects that period, or in the relevant period and the future periods if the adjustment affects both the current and future periods.

Management insights into the application of IFRS that have a major impact on the financial statements and estimations with a significant risk of a material adjustment in a subsequent year are:

*(a) Useful life and residual value of property, plant and equipment*

Property, plant and equipment form a substantial part of the total assets of the company, while period depreciation charges form a substantial part of the annual operating expenses. The useful life and residual value determined by the Board based on its estimations and assumptions have a major impact on the measurement and determination of results of the property, plant and equipment. The useful life of property, plant and equipment is partly estimated based on their useful productive lives, experiences related to such assets, the maintenance history and the period during which economic benefits from utilization of the asset accrued to the company.

Periodic reviews show whether changes have occurred in estimations and assumptions as a result of which the useful life and/or residual value need to be adjusted. Such an adjustment will be made prospectively.

*(b) Estimated impairments*

The Group annually reviews goodwill for impairment. This also applies to other assets if there is reason to do so. The principles explained under Impairments of assets (see page 89) are applied.

*(c) Pensions and other employee benefits*

The pension charges for defined benefit pension plans depend on future assumptions. A sensitivity analysis is included in note 27.

*(d) Taxes*

Deferred tax assets, including those arising from carry-forward losses, are recognized if it is likely that taxable profit is available against which losses can be set off. In determining this, Vopak uses estimations and assumptions that also affect the measurement of the deferred tax assets.

*(e) Environmental provisions*

In accordance with the policies stated under Other provisions, environmental provisions are formed based on current legislation and the best estimate of future expenses.

*(f) Derivative financial instruments*

The fair value of a derivative financial instrument not traded on active markets is measured as the present value of the expected future cash flows under the contract. In determining this value, a valuation model is used that is based on the interest rates and the exchange rates as at the end of the reporting period.

The accounting policies based on IFRS, as described below, have been applied consistently for the years 2009 and 2008 by all entities.

## **Basis of consolidation**

### **Subsidiaries**

The consolidated financial statements incorporate the financial statements of Royal Vopak and its subsidiaries. Subsidiaries are companies over whose policies the Group directly or indirectly exercises control. Control exists when the Group is able to govern the financial and operating policies of a company in order to incorporate the benefits from the activity. This is generally the case if the Group, either directly or indirectly, holds more than half of the voting rights. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control is obtained until the date on which control ends.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest and using the accounting policies of the Group. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the statement of income.

Following the acquisition of non-controlling interests in subsidiaries, the difference between the acquisition costs and the non-controlling interest in equity concerned is recognized as goodwill at the acquisition date.

For a list of the principal subsidiaries, please refer to page 162 of this report.

### **Determining the fair value of a business combination**

Fair value is defined in IFRS as the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. There are three generally accepted approaches for determining the fair value: the market approach, the income approach, and the cost approach.

The market approach measures value based on recent transactions for assets which can be considered reasonably similar to that being assessed.

The income approach is based on the premise that the value of an asset can be measured by the present value of the future earning capacity that is available for distribution to the owners of the asset. The most commonly used approach is the discounted cash flow method. This involves forecasting the appropriate cash flow stream over an appropriate period and then discounting it back at an appropriate discount rate given the time value of money, inflation and the risk inherent in ownership of assets being valued. The Greenfield approach is a derivative of the income approach and is used when valuation of an asset against market value is not possible due to lack of tendering prices. It values an asset by calculating the value of a hypothetical start-up company that starts its business with no assets except the asset to be valued. Since the company has no other assets, the value of the asset under consideration has to equal the value of the start-up company. To apply this method it is necessary to construct a business plan for a hypothetical start-up of the terminal.

The cost approach is based upon the principle of replacement and recognizes that a prudent investor will pay no more for an asset than the cost to replace it new. Use of the cost approach results in a concept referred to as depreciated replacement cost where the term depreciated refers to a reduction of utility.

Vopak uses all of these approaches depending on the business rationale. Property, plant and equipment is valued on depreciated replacement cost as there is no active market for this asset. Land and the intangible land use rights are based on market value. Concession rights, licenses and customer relationships are based on the income approach. For the other intangibles at each acquisition the business driver will be determined. The valuation is normally determined by an independent appraiser.

### **Joint ventures and associates**

A joint venture is a contractual agreement under which two or more parties conduct an economic activity and unanimous approval is required for the financial and operating policies. An associate is a company over whose financial and operating policies the Group has significant influence, but no control. This is generally the case if the Group directly or indirectly holds between 20% and 50% of the voting rights.

The results of joint ventures and associates are recognized based on the equity method from the date on which the joint control or significant influence begins until the date on which it ceases. If the share in the losses exceeds the carrying amount of an equity-accounted company, including any other receivables forming part of the net investment in the company, the carrying amount is written down to nil and (to the extent that the Group has not undertaken any further commitments or payments relating to the company in question) no further losses are allocated to the Group.

Under the equity method, goodwill (less accumulated impairments) is allocated to the carrying amount of the investment.

When an interest in a joint venture or associate is acquired, the purchase method of accounting is used. When an interest in a joint venture or associate is sold, the gain on the sale is recognized separately under Result of joint ventures and associates using the equity method.

For a list of the principal joint ventures, please refer to page 162 of this report.

### **Other financial assets**

The other interests in which the Group does not exercise any significant influence are classified under Other financial assets. This is generally the case if the interest is less than 20%. These interests are carried at fair value, unless a fair value cannot be estimated. In the latter case, they are carried at cost. Dividends received are recognized in the statement of income.

### **Elimination of transactions in consolidated financial statements**

All transactions between group companies, balances and unrealized gains and losses on transactions between group companies are eliminated when preparing the consolidated financial statements. Unrealized gains arising from transactions with joint ventures and associates are eliminated to the extent of the interest of the Group in the equity. Unrealized losses are eliminated in the same manner as unrealized gains, but only to the extent that there is no evidence of impairment.

### **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Board, which is the chief operating decision maker according to IFRS 8. Business activities that can not be allocated to any other segment are reported under Non-allocated. These include primarily real estate interests in Rotterdam, our interest in Gate terminal (under construction), studies to explore to pursuit of further development activities for the storage of LNG and headquarter costs.

### **Foreign currency translation**

#### **Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured in the currency that applies to the primary economic environment in which the entity operates (the functional currency). The consolidated figures are presented in euros, the company's functional and presentation currency.

#### **Transactions**

Transactions in foreign currencies are recognized in the accounting records of the companies at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated in the accounting records of the companies at the exchange rate prevailing at the end of the reporting period. Exchange differences arising from transactions in foreign currency and translation differences on monetary assets and liabilities are taken to the statement of income.

#### **Financial statements of foreign activities**

The assets and liabilities of foreign entities, including goodwill and fair value adjustments at the time of the acquisition, are translated into the presentation currency at the rate prevailing at the end of the reporting period. The items of the statement of incomes of foreign activities are translated at the average exchange rates for the reporting period.

There are no significant foreign activities expressed in a currency of a country with hyperinflation.

#### **Net investments in foreign activities**

With effect from 1 January 2004 (option IFRS 1), the exchange differences resulting from the translation of the net investments in foreign activities have been taken through comprehensive income to the exchange differences reserve, which is a separate component of equity. The exchange differences on loans drawn and other financial instruments in foreign currencies are also taken to the exchange differences reserve, through comprehensive income, to the extent that these hedge the exchange risks on net investments in foreign companies and are effective. Due to the application of IAS 39, the currency part of the fair value changes in derivative financial instruments to hedge net investments in foreign activities has also been taken to the exchange differences reserve with effect from 1 January 2005. The exchange differences taken to the exchange difference reserve are recognized in the statement of income on a pro rata basis upon sale, liquidation, repayments of share capital or abandonment.



The following main exchange rates are used in the financial statements:

	Closing exchange rate		Average exchange rate	
	2009	2008	2009	2008
EUR 1.00 is equivalent to				
US dollar	1.43	1.40	1.39	1.47
Singapore dollar	2.01	2.00	2.02	2.08
Chinese yuan	9.77	9.54	9.53	10.23
Brazilian real	2.49	3.23	2.77	2.68

## Income

### Revenues

Revenue is recognized in the statement of income to the extent it seems likely that the economic benefits will accrue to the Group and the revenue can be reliably measured. The revenue is recognized in the statement of income in proportion to the stage of the rendered performance as at the end of the reporting period. If the revenue cannot be reliably measured, only the income up to the level of the expenses to be claimed will be recognized.

### Other operating income

Gains on the sale of assets are deemed realized at the time the benefits and the risks of the sale are entirely borne by the buyer and there is no uncertainty as to whether the agreed payment is received. Gains on the sale of subsidiaries are realized at the time control is no longer exercised.

Grants by way of compensation for impairments are recognized under Other operating income.

### Interest and dividend income

Interest income from granted loans and dividends from other financial assets (over whose financial and operating policies the Group has no significant influence) are presented under Interest and dividend income.

Interest income is deemed to be realized when it seems likely that the economic benefits will go to the Group and the income can be reliably measured. The income benefits are recognized in the period to which they relate, taking into account the effective interest rate of the loan, unless there are doubts regarding the recoverability.

Dividends of other financial assets are recognized in the statement of income as soon as they are granted.

## Expenses

### Other operating expenses

Losses on the sale of assets are presented under Other operating expenses and are recognized as soon as they are foreseen. Losses on the sale of subsidiaries are realized at the time the subsidiary is offered for sale. Research costs relating to new storage capacity to be built are recognized in the statement of income in the year in which the costs are incurred.

Leased assets, of which the benefits and risks remain substantially with the lease provider, are regarded as operating leases. Payments made for operating leases are charged to the statement of income on a straight-line basis over the lease term. If an operating lease is terminated early, any financial obligation or penalty owed to the owner will be taken to the statement of income in the period in which the lease was terminated.

Government grants are recognized when it is reasonably certain that they will be received and the Group will comply with the applicable conditions. Grants by way of compensation for costs incurred, except for impairments, are deducted from the costs and recognized in the same period in which the costs are incurred.

### **Finance costs**

Finance costs consist of interest and exchange differences on loans drawn and of results on hedging instruments recognized in the statement of income.

Interest expense is recognized in the period to which it relates, taking into account the effective interest rate. The interest costs component of finance lease payments is recognized in the statement of income using the effective interest method.

### **Exceptional items**

The items in the statement of income include items that are exceptional by nature. These exceptional items include impairments, reversed impairments, additions to and releases from provisions for restructuring, results on assets sold, gains on the sale of subsidiaries, joint ventures and associates and any other provisions being formed or released. To increase transparency, these exceptional items are disclosed separately in the notes.

### **Intangible assets**

#### **Goodwill**

Goodwill represents the difference between the purchase price and Vopak's share in the fair value of the acquired identifiable assets, liabilities and contingent liabilities of the company acquired at the time Vopak obtains control (purchase method).

Goodwill is expressed in the functional currency of the company concerned and translated into euros at the rate prevailing at the end of the reporting period. Goodwill is carried at cost less accumulated impairments. Goodwill is allocated to cash-generating units, i.e. individual terminals or a group of terminals, and is tested annually for impairment. In the case of associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment in the associate or the carrying amount of the joint venture.

If the difference between the purchase price and the fair value is negative, the difference is recognized directly in the statement of income.

#### **Other intangible assets**

Software is carried at historical cost, net of straight-line amortization based on its expected useful life and any potential impairment. Software under construction is carried at the costs incurred up to the end of the reporting period. The expected useful life of software is subject to a maximum of seven years.

Other intangible assets also comprise contractual customer relationships and favourable leases ensuing from business combinations. These are carried at their initial market value at the time of the acquisition, net of straight-line amortization and impairments. Amortization is based on a period of five to thirty years, which is the term of the contract or the term of validity.

Other items are mainly licences that are carried at historical cost, net of straight-line amortization. Amortization is based on a period of five years, which is the term of validity.

### **Property, plant and equipment**

#### **Own assets**

Property, plant and equipment are broken down into their components and carried at historical cost, net of accumulated straight-line depreciation based on the expected useful life and taking into account the expected residual value and impairments. Historical cost includes the initial acquisition cost plus other direct acquisition costs (such as unrecoverable taxes or transport) and construction costs that can be allocated directly (such as hours of own employees and advisory fees). To the extent that dismantling obligations exist at the end of the useful life, these and any amendments thereto are included in the cost of the assets.

For investment projects, interest expense related to the period of time during which active construction is ongoing is capitalized when the period is exceeding one year. As the financing activity of the Group is co-ordinated centrally the capitalization rate is in principle based on the weighted average of the borrowing costs of the Group. The capitalized interest expense is amortized over the estimated useful life of the underlying asset.

Subsequent expenses are only recognized in the statement of financial position if they increase the future economic benefits of the relevant asset item. Costs of repairs and maintenance that do not increase the future economic benefits are regarded as expenses.

Depreciation is computed from the date the asset is available for use using the straight-line method over the expected useful life and taking the estimated residual value into account.

The useful life of the main assets is as follows:

– Buildings	10 - 40 years
– Main components of tank storage terminals	10 - 40 years
– IT hardware	3 - 5 years
– Machinery, equipment and fixtures	3 - 10 years

The residual value and useful life are reviewed annually and adjusted if necessary.

Property, plant and equipment under construction are carried at the costs incurred up to the end of the reporting period. Replacement material is classified under Property, plant and equipment to which it relates and is carried at the lower of cost and net recoverable amount.

Grants by way of compensation for costs incurred in connection with investments are deducted from the costs of the assets and carried in the profit or loss over the life of the assets.

#### **Leased assets**

The lease of fixed assets, the benefits and risks attached to the ownership of which are substantially taken over by the Group, are considered finance leases. Assets acquired through finance leases are initially carried in the statement of financial position at an amount equivalent to the lower of fair value and present value of the minimum lease payments at the time the lease is entered into. These assets are subsequently carried at their initial value less accumulated depreciation and impairments.

#### **Impairment of assets**

##### **General**

For the carrying amount of the non-current assets, other than deferred tax assets, assets will be reviewed for possible impairment on the end of each reporting period. Should this be the case, the recoverable amount of the asset must be estimated. If the carrying amount of an asset, either independently or as part of a cash-generating unit, is higher than the recoverable amount, the difference is charged to the statement of income as an impairment.

Goodwill is reviewed for impairment annually, unless there is reason to do so more frequently.

Impairments of a cash-generating unit are initially allocated to goodwill and subsequently allocated to the other assets of the cash-generating unit on a proportionate basis. Impairments of intangible assets and property, plant and equipment are presented in the statement of income under Depreciation, amortization and impairment.

For financial assets the group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The impairments for joint ventures/associates and loans granted are presented under Result of joint ventures and associates using the equity method and Finance costs respectively. For the impairment of trade and other receivables we refer to Current assets.

### **Calculating the recoverable amount**

The recoverable amount of a non-current asset is the higher of fair value, less expected selling expenses, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects both the current interest rate and the risks specific to the asset.

For non-current assets that do not generate large independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

### **Reversal of impairments**

Reversal of impairment is effected in the case of indications of a change in recoverable amount. An impairment of goodwill is never reversed.

The increase in the carrying amount of an asset resulting from the reversal of impairment may never be higher than the carrying amount (after depreciation or amortization) measured if no impairment had been recognized in preceding years.

### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

### **Derivative financial instruments**

Derivative financial instruments are initially recognized at fair value at trade date and subsequently, for the full term of the contract, carried at fair value based on a market quotation or a derivative financial instrument valuation model.

Accounting of movements in value depends on the nature of the hedged items and to what extent the derivative financial instruments qualify for hedge accounting.

In applying hedge accounting, the link between the hedging instrument and the underlying position, as well as the background of the relevant transaction, is documented when the hedge transaction is entered into. The parameters (term, nominal amount, etc.) of the hedged position and the hedging instrument will, in principle, be identical. In addition, the method of determining effectiveness is also documented at the time the transaction is entered into and thereafter. The frequency of measuring the effectiveness of the hedges runs synchronous to the publication of the Group's results. Hedge accounting is only applied if all of the above requirements have been met and the effectiveness has been demonstrated and documented.

If hedge accounting is not applied, all value adjustments are taken to the statement of income. With respect to hedge accounting, Vopak makes a distinction between cash flow hedges, fair value hedges and hedges of net investments in foreign companies.

If the aforementioned requirements of hedge accounting are met, recognition is as follows:

#### **Cash flow hedges**

The effective part of changes in the fair value of derivative financial instruments that are designated and qualify as cash flow hedges are recognized in other comprehensive income. The profit or loss as a result of ineffectiveness is recognized directly in the statement of income. This also applies to the interest component that is a result of the time value of money in the valuation of the derivative financial instrument.

Amounts accumulated in equity are reclassified to profit or loss at the same time as the hedged transaction affects profit or loss. The effects are shown under Finance costs.

If the established agreement or the foreseeable transaction that is hedged results in the recognition of a non-financial asset, the accumulated gains or losses previously deferred in equity are removed from equity and recognized in the initial recognition of the asset or liability.



If a hedging instrument or the hedge relationship is terminated but the hedged transaction is still expected to take place, the accumulated gains or losses will remain in equity at that time and will subsequently be recognized in the income statement when the transaction takes place. If the hedged transaction is no longer probable, the accumulated gains or losses recognized in equity will be recognized directly in the statement of income as finance costs.

#### **Fair value hedges**

If a fair value hedge is used, the hedging instrument is carried at fair value and the changes in fair value are taken to the statement of income. The hedged position is recognized at fair value to the extent that the movements in the fair value are caused by the hedged risk. These movements in value are likewise recognized directly in the statement of income. The group only applies fair value hedge accounting for hedging fixed interest risk on loans drawn.

#### **Hedging of net investments in foreign activities**

Hedges of net investments in foreign activities take the form of a cash flow hedge. If a debt denominated in foreign currency hedges a net investment in a foreign operation in the same currency, the exchange differences due to translation of the net investment and the debt into euros are recognized in other comprehensive income, to the extent that the hedge is effective. The ineffective part is recognized in the statement of income under Finance costs.

If a derivative financial instrument hedges a net investment in a foreign activity, the part of the profit or loss that was determined as an effective hedge will be recognized in other comprehensive income. The ineffective part of the hedge and the interest component of the fair value movement of the derivative financial instrument are taken to the statement of income.

Accumulated exchange losses and gains in equity are recognized in the statement of income at the time foreign activities are (partially) disposed of.

#### **Current assets**

Trade and other receivables are carried at amortized cost. A provision for impairments is formed if there is objective evidence as at the end of the reporting period that the Group will not be able to recover the receivables on the original conditions. The amount of the provision is the difference between the carrying amount of the receivable and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is charged to other operating expenses in the statement of income. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against other operating expenses in the statement of income.

Cash and cash equivalents comprise of cash, cash in bank and short-term deposits. The Group has concluded notional interest pooling contracts with banks stating that interest will be charged on the net balance of the bank accounts. However, there is no right of setoff for these contracts. The debit balances are consequently not set off against the credit balances on the statement of financial position.

#### **Assets held for sale**

Non-current assets and disposal groups are classified as held-for-sale and stated at the lower value of the carrying amount and the fair value less expected selling costs, if their carrying value is recovered principally through a sale transaction rather than through a continuing use. When specific criteria for the held-for-sale have been met the non-current assets subject to depreciation or amortization are no longer depreciated or amortized. The assets and liabilities are presented separately under Total current assets and Total current liabilities respectively.

#### **Equity**

##### **Share capital**

The transaction costs of an equity transaction are recognized as a reduction in equity, net of tax. The financing preference shares qualify as equity under the IAS 32 criteria. Incremental costs directly attributable to the issue of new shares are shown in equity as a reduction, net of tax, from the proceeds.

### **Treasury shares**

Shares that are repurchased to cover options and equity-settled share-based payments are included in the financial statements of the Group. The purchase price of the shares is charged to equity. These shares are not taken into account in the calculation of earnings per share.

### **Dividends**

Dividends are recognized as a liability from the moment they are granted until they are actually paid out.

### **Loans granted and drawn**

Interest-bearing loans are initially carried at cost, plus or less transaction costs, and are subsequently carried at amortized cost, with the difference between the cost and the redemption value taken to the statement of income over the term of the loan, based on the effective interest method.

Loans for which the interest rate has been converted in a hedge relation from fixed to floating by means of a fair value hedge are revalued for the value adjustment that can be allocated to the risk that is hedged.

Loans sold, whereby the substantial risks and rewards of ownership are neither fully transferred nor directly retained, are carried at the lower of carrying amount or the guarantee amount.

### **Employee benefits**

#### **Pensions and other employee benefits**

The pension plans are generally administered by separate company pension funds and partly placed with insurance companies.

The pension charges for defined benefit pension plans are based on actuarial calculations, specifically the projected unit credit method. The effect of this method is that the charges are spread fairly evenly over the service years of employees.

The pension charges for defined benefit plans comprise the relevant part of the movement in the present value of the pension entitlements granted, the interest to be allocated, the expected income from plan assets and refund entitlements, the actuarial results to be allocated, the charges to be allocated in respect of past service and the movements to be allocated in respect of any reductions in or terminations of the plans.

The actuarial results are determined individually for each defined benefit plan and include the effect of the difference between the assumed actuarial parameters and reality, and the changes in assumed actuarial parameters. All actuarial results exceeding a margin of 10% of the fair value of the higher of assets of the fund and the present value of the future liabilities at the beginning of the financial year are recognized in the statement of income over the average remaining service years of employees. The Group is applying IFRIC 14 for measuring the limit on a defined benefit asset and the minimum funding requirements with effect from 2008.

To calculate the present value, a discount rate is used based on the interest rates on high-quality corporate bonds with durations approximating the terms of the pension liabilities.

Contributions to defined contribution schemes are taken to the statement of income for the year in which they are due.

Multi-employer plans that include defined benefit pension plans but for which insufficient information is available for the Group to make IAS 19 calculations are treated as if they were defined contribution.

#### **Share-based compensation**

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of

performance shares, matching shares or options is recognized as an expense in the statement of income and a corresponding adjustment to equity. The total amount to be expensed is determined by reference to the fair value of the grants measured at the applicable grant date, excluding the impact of any service and non-market performance vesting conditions (like profitability growth targets and remaining an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of shares and options that are expected to vest. The total amount expensed is recognized over the vesting period, which is the period over which all of the vesting conditions are to be satisfied. The vesting period starts at the first date of the performance period and ends at vesting date. At the end of each reporting period, Vopak determines if it is necessary to revise the expectation of the number of shares and options that are expected to vest based on the non-market vesting conditions. On vesting date Vopak will revise the estimate to equal the number of equity instruments that ultimately vest. Effects of revising the original estimates are recognized in the statement of income with an equivalent adjustment in equity.

In the event of a significant change of the management and/or structure of the company or part of the company resulting from a merger, takeover, sale, divestiture or similar transaction (Change of Control) the Supervisory Board is entitled to cancel the conditionally granted shares and pay the participants a (pro rata) amount in cash based on the average stock price over the quarter preceding the date of the press release announcing the intended transaction. As the likelihood of such a situation occurring is considered remote, they are treated entirely as a share-based payments plan.

#### **Other types of remuneration**

Long-term remuneration settled in cash that depends on the development of the earnings per ordinary share during a period of three years is allocated to these years based on the latest estimates. Liabilities are recognized via provisions and remeasured at the end of each reporting period.

#### **Other provisions**

Provisions are formed for legal or constructive obligations that arose in the past, the amount of which, though uncertain, can be reliably estimated and where it is probable that settlement of the obligations will entail a cash outflow. If timing is significant, the size of the provision is based on the expected future cash flows discounted at a pre-tax rate that reflects the current market rate of interest as well as the specific risks associated with the liabilities.

In accordance with current legislation, environmental plans and any other measures to be adopted are agreed with local, regional and national authorities as appropriate. As soon as such plans are approved or other statutory obligations arise, a provision is formed based on the most reliable estimate possible of the future expenses.

A provision for reorganization is formed when Vopak has approved a detailed and formalized reorganization plan and when the reorganization has either commenced or been made public.

Provisions for deferred remuneration other than pensions and other employee benefits, for example, redundancy benefits, anniversary bonuses and long-term remuneration settled in cash, are calculated using the method for defined benefit plans. Any actuarial results arising are recognized immediately as profits or losses. The same applies to any charges relating to past service.

Vopak recognises a provision for loss-making contracts if the expected benefits to be derived from a contract are lower than the unavoidable costs. The unavoidable costs reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling the obligations under the contract and any compensation or penalties arising from failure to fulfil it.

Vopak is subject to legislation encouraging reductions in greenhouse gas emissions and has been awarded CO<sub>2</sub> emission rights for a limited number of terminals. Emission rights are reserved for meeting delivery obligations and are recognized at cost (usually zero). Revenue is recognized when surplus emission rights are sold to third parties. When actual emissions exceed the emission rights available to Vopak a provision is recognized for the expected additional costs.

## **Taxes**

Taxes on profit or loss for the financial year comprise current and deferred taxes. Taxes are recognized in the statement of income unless they relate to items directly recognized in equity or comprehensive income, in which case they are recognized in equity or comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, with tax rates used as determined by law as at the end of the reporting period, plus any adjustments to prior-year tax payable.

Deferred taxes are provided for using the liability method, whereby provisions are made for all taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. No deferred taxes are provided for the following temporary differences:

- Goodwill not deductible for tax purposes.
- Initial recognition of assets and liabilities that affect neither accounting nor taxable profit.
- Differences relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future.

The calculation is based on tax rates enacted or substantively enacted, as at the end of the reporting period.

Deferred tax assets arising on offsettable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, and available tax losses carried forward are recognized only for the amount for which it is probable that sufficient future taxable profits will be available against which these differences or losses can be set off.

A provision is formed for tax, principally regarding withholding tax, for which a liability might arise in connection with the distribution of retained earnings if a decision has been made to distribute such earnings.

## **Trade and other payables**

Trade and other payables are generally recognized at amortized cost using the effective interest method.

## **Cash flow policies**

The cash flow statement is drawn up based on the indirect method. Cash flows denominated in foreign currencies are translated at average exchange rates. Exchange and translation gains and losses on cash and cash equivalents (including current liabilities arising from credit facilities) are presented separately. The cash flows in the cash flow statement are shown separately under operating activities, investing activities and financing activities.

Receipts and expenditures relating to interest and dividends received on participating interests of less than 20% are stated under Cash flows from operating activities.

The acquired financial interests (subsidiaries, joint ventures and associates) are included under Cash flows from investing activities.

Dividend distributions are stated under Cash flows from financing activities.

## **Company statement of income**

An abridged company statement of income is presented in accordance with Section 402 of Book 2 of the Netherlands Civil Code.



## Financial Risks and Risk Management

### Risks and risk management

The Group is exposed to a number of financial risks inherent in its day-to-day operations. These risks are connected with the effects of movements in exchange rates and interest rates. The Group is also exposed to credit risk and liquidity risk.

Risks are identified by Corporate Treasury, the central treasury department. The Executive Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. Reports on risk and risk management are submitted on a regular basis.

Hedging alternatives are discussed by the Operational Finance Committee, a body comprising representatives from the various financial disciplines at head office, prior to approval for the transactions being requested from the Executive Board.

In order to control the risks attached to fluctuations in foreign currencies and interest rates, Vopak uses derivative financial instruments in accordance with a financial policy approved by the Executive Board. This financial policy is designed to control the effects of such risks on cash flows, equity and results. No speculative positions are adopted.

The main derivative financial instruments used by the Group are forward exchange contracts, interest rate swaps and cross currency interest rate swaps.

### Market risks and risk management

#### *Currency risks and risk management*

The Group operates internationally and is exposed to foreign currency exchange risk arising mainly from US dollar (USD), Singapore dollar (SGD), Chinese yuan (CNY) and Brazilian real (BRL). Foreign currency exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

The primary objective of the currency risk policy is to protect the value of Vopak's cash flows. Account is taken of future cash flows from investments and disposals as well as cash flows from operating and financing activities. Each quarter, currency risks are identified and the hedging strategy is reviewed and subsequently presented to the Executive Board for approval.

The risks associated with commercial transaction positions arising from operating activities are limited for Vopak, since operating income and operating expenses are, as a rule, largely denominated in the same currency. However, in some countries (in particular, in Latin America), a substantial portion of the income flow is in US dollar (USD) whereas the operating expenses are denominated in local currencies. In these countries, the aim is to hedge the transaction risk naturally. Any material net transaction position can be hedged in full by means of forward exchange contracts.

The main foreign currency risk results from investments in foreign operations whose net assets are exposed to foreign currency translation risk. The group result is also impacted by translating the result of foreign currency operations.

#### **Translation risk arising from the investments in foreign operations**

Net investments in foreign activities are, in principle, hedged by loans in the same currency and forward exchange contracts, while applying hedge accounting. The amount of the hedge is determined mainly by the expected net financing position/EBITDA ratio of subsidiaries for the next three years, taking into account the tax effects and hedging costs. In certain situations, such as in the event of new investments, the decision may be made to hedge more than would be possible on the basis of the optimal net financing position/EBITDA ratio. In such situations, the nominal value of the hedge might exceed the carrying amount of the underlying asset. As was the case in 2008, there were no hedges that exceeded the carrying amount of the underlying assets in the 2009 financial year.

In line with the currency risk policy, Vopak has converted fixed-interest loans totalling USD 483 million into fixed-interest loans for the amount of EUR 350 million by means of cross currency interest rate swaps (CCIRS) as the USD funding was higher than the related investments and loans in foreign operations. The fair value changes relating to the currency part of the principal of the CCIRS are recognized directly in the statement of income offsetting the exchange differences on the hedged loans.

Prospective and retrospective hedge effectiveness tests are performed for hedge accounting purposes at each reporting date. The results of these effectiveness tests should satisfy the effectiveness criterion (between 80% and 125%) as defined in IAS 39. All hedges were effective in 2009 and 2008.

#### Sensitivity of exchange rate changes of financial instruments

The value of debt and hedging instruments denominated in currencies other than the functional currency of the entities holding them are subject to exchange rate movements. The sensitivity analysis shows how changes in exchange rates affect net profit and shareholders' equity.

The sensitivity analysis for currency risks is based on the following assumptions:

- The transaction risk on the foreign currency accounts receivable and accounts payables resulting from commercial transactions is excluded from this analysis as the risk is considered to be immaterial.
- The difference between the highest and lowest exchange rates on the reporting dates for the financial years was calculated as an indication for a reasonably possible change in exchange rates.
- Scenario analyses were performed in the treasury management system to determine the fair value change of derivative financial instruments.
- The currency risk on intercompany balances is taken into account in the analysis.
- The effect on net profit is measured for a one-year period.
- Showing the sensitivity for exchange differences on net investments is not required under IFRS 7 but is included as the movement of the hedges are offset by movements in the net investments.

The US dollar (USD), the Singapore dollar (SGD), the Chinese yuan (CNY) and the Brazilian real (BRL) were the main currencies for which Vopak ran translation risks. The sensitivity to these currencies for the positions at 31 December 2009 and 31 December 2008 can be broken down as follows.

#### Sensitivity of statement of financial position items at 31 December 2009

	USD		SGD		CNY		BRL	
Closing exchange rate 2009	1.43	1.43	2.01	2.01	9.77	9.77	2.49	2.49
Reasonably possible change <sup>1)</sup>	16%	- 16%	7%	- 7%	16%	- 16%	23%	- 23%
<b>Effect on net profit</b>	<b>- 0.7</b>	<b>1.0</b>	<b>- 0.5</b>	<b>0.6</b>	<b>- 0.6</b>	<b>0.8</b>	<b>-</b>	<b>-</b>
Exchange differences on net investments	- 58.9	81.9	- 9.3	10.7	- 16.7	23.2	- 8.4	13.4
Effective part of hedges of net investments	38.9	- 54.1	8.4	- 9.6	9.5	- 13.2	1.8	- 2.9
Effect on revaluation reserve derivatives	- 2.5	5.1	0.1	- 0.1	-	-	-	-
<b>Effect on shareholders' equity</b>	<b>- 22.5</b>	<b>32.9</b>	<b>- 0.8</b>	<b>1.0</b>	<b>- 7.2</b>	<b>10.0</b>	<b>- 6.6</b>	<b>10.5</b>

<sup>1)</sup> A negative deviation indicates that the foreign currency has appreciated against the euro

	USD		SGD		CNY		BRL	
Closing exchange rate 2008	1.40	1.40	2.00	2.00	9.54	9.54	3.23	3.23
Reasonably possible change <sup>1)</sup>	22%	- 22%	15%	- 15%	25%	- 25%	26%	- 26%
<b>Effect on net profit</b>	<b>- 0.6</b>	<b>1.0</b>	<b>- 0.4</b>	<b>0.6</b>	<b>- 0.7</b>	<b>1.0</b>	<b>-</b>	<b>-</b>
Exchange differences on net investments	- 63.6	99.5	- 16.9	22.7	- 20.8	34.7	- 5.4	9.3
Effective part of hedges of net investments	51.3	- 80.2	14.2	- 18.9	14.0	- 23.4	-	-
Effect on revaluation reserve derivatives	- 0.9	1.4	0.4	- 0.4	-	-	-	-
<b>Effect on shareholders' equity</b>	<b>- 13.2</b>	<b>20.7</b>	<b>- 2.3</b>	<b>3.4</b>	<b>- 6.8</b>	<b>11.3</b>	<b>- 5.4</b>	<b>9.3</b>

<sup>1)</sup> A negative deviation indicates that the foreign currency has appreciated against the euro

### Sensitivity of exchange rate changes arising from the translation of the results of foreign currency operations

The group result is also impacted by translating the result of foreign currency operations.

The translation risk of converting the net result of foreign entities into euro's mainly concerns the Singapore dollar (SGD) and the US dollar (USD). The sensitivity to these currencies is as follows.

A 10 dollar cent change in the EUR/USD exchange rate approximately affects Vopak's figures as follows (based on figures for 2009):

- Revenues would differ by EUR 12.5 million (2008: EUR 10.7 million).
- Group operating profit (EBIT) would differ by EUR 5.9 million (2008: EUR 3.6 million).
- Net profit would differ by EUR 4.6 million (2008: EUR 2.3 million).

A 10 dollar cent change in the EUR/SGD exchange rate approximately affects Vopak's figures as follows (based on figures for 2009):

- Revenues would differ by EUR 7.5 million (2008: EUR 5.8 million).
- Group operating profit (EBIT) would differ by EUR 4.1 million (2008: EUR 2.7 million).
- Net profit would differ by EUR 2.4 million (2008: EUR 1.5 million).

### Interest rate risk and interest rate risk management

Vopak's policy on interest rate risks aims to control the net finance costs resulting from fluctuations in market interest rates, taking into account the long-term profile of the company. Loans granted/Borrowings issued at fixed interest rates expose the group to fair value interest rate risk. Loans granted/Borrowings issued at floating rate expose the group to cash flow interest rate risk.

Interest rate swaps may be used to achieve the desired risk profile. Interest rate risks are identified and possible hedges considered when obtaining or providing new financing.

At 31 December 2009, taking account of interest rate swaps, 93% (2008: 61%) of the total interest-bearing loans of EUR 1,190.3 million (2008: EUR 972.1 million) was financed at a fixed interest rate with remaining terms of up to twenty years. The increased fixed rate portion is a result of the new fixed-interest private placements which were used to repay the floating funds of the revolver credit facility. As a consequence of the fixed interest the company is both exposed to cash flow risk and fair value interest rate risk.

### Hedging fixed USD interest rates to fixed EUR interest rates

As part of the interest rate risk policy, Vopak has converted fixed-interest loans totalling USD 483 million into fixed-interest loans for the amount of EUR 350 million by means of cross currency interest rate swaps (CCIRS). The objective of these hedges is to restrict fluctuations in interest rates as a result from changes in the USD/EUR exchange rate. Cash flow hedge accounting is applied.

The hedge effectiveness is measured both prospectively and retrospectively. As a minimum, the tests are performed as at the reporting date. The results of these effectiveness tests should satisfy the effectiveness criterion (between 80% and 125%) as defined in IAS 39. All hedges were effective in 2009 and 2008.

#### **Hedging floating interest rates to fixed interest rates**

Vopak converted SGD 147 million of a floating rate bank loan of SGD 200 million into a fixed rate loan. Cash flow hedge accounting is applied to this hedge.

The hedge effectiveness is measured both prospectively and retrospectively. As a minimum, the tests are performed as at the reporting date. The results of these effectiveness tests should satisfy the effectiveness criterion (between 80% and 125%) as defined in IAS 39. All hedges were effective in 2009 and 2008.

#### **Hedging fixed interest rates to floating interest rates**

The current interest-bearing debt consists largely of fixed-interest financing in US dollars. In 2004, USD 31 million of this interest-bearing debt was converted into a floating rate debt through interest rate swaps. Fair value hedge accounting is applied to this hedge.

The hedge effectiveness is measured both prospectively and retrospectively. As a minimum, the tests are performed as at the reporting date. The results of these effectiveness tests should satisfy the effectiveness criterion (between 80% and 125%) as defined in IAS 39. All hedges were effective in 2009 and 2008.

#### **Sensitivity of changes in market interest rates (IFRS 7)**

The sensitivity analysis shows how changes in market interest rates affect net profit and shareholders' equity, for which the analysis for interest rate risks is based on the following assumptions:

- The difference in market interest rates at 1 January and 31 December of the financial years was calculated to determine the reasonably possible change in market interest rates. However due to the volatility of the market interest rates Vopak has used a fixed percentage of 25% as a reasonable change at year-end 2008 and year-end 2009.
- Scenario analyses were performed in the treasury management system to determine the fair value change of derivative financial instruments.
- With non-derivative fixed-rate financial instruments, changes in market interest rates only affect profit if they are carried at fair value. As such, changes in the interest rate have no effect on the fixed-interest financial instruments of the Group as these are all recognized at amortized cost.
- The analysis includes the effect of changes in market interest rates on floating rate non-derivative financial instruments.
- The effect of changes in market interest rates on financial instruments allocated as hedges of a net investment in a foreign entity is recognized in the statement of income under Finance costs and taken into account when performing the sensitivity analysis on the assumption that the amount of the hedge remains unchanged.
- The effect of changes in market interest rates on financial instruments allocated as cash flow hedge is recognized in the derivative financial instrument revaluation reserve component of shareholders' equity and taken into account when performing the shareholders' equity sensitivity analysis.
- In the event of a fair value hedge whereby a fixed interest rate is converted into a floating rate through an interest rate swap, the hedging instrument is carried at fair value and the changes in fair value are taken to the statement of income. The hedged risk portion of the hedged positions is likewise recognized at fair value and the changes in value are taken directly to the statement of income. Since the hedge relationship is 100% effective, the effect of the movement in fair value of the hedging instrument is completely compensated by the movement in fair value of the hedged position and as such do not have an impact on equity. The impact on the income statement is included in the analysis.
- Changes in the fair value of derivative financial instruments not forming part of a hedge relationship as referred to in IAS 39 are accounted for under Finance costs and are taken into account when performing sensitivity analyses.
- The effect on net profit is measured for a one-year period.



*Sensitivity of changes in market interest rates for 2009*

	EUR		USD		SGD	
Closing level 3-month interest rate 2009	0.70%	0.70%	0.25%	0.25%	0.50%	0.50%
Reasonably possible change	25%	- 25%	25%	- 25%	25%	- 25%
<b>Effect on net profit</b>	<b>- 0.3</b>	<b>0.3</b>	<b>- 0.2</b>	<b>0.2</b>	<b>- 0.7</b>	<b>0.7</b>
<b>Effect on revaluation reserve derivatives shareholders' equity</b>	<b>20.3</b>	<b>- 22.6</b>	<b>-0.6</b>	<b>0.6</b>	<b>1.1</b>	<b>- 1.1</b>

*Sensitivity of changes in market interest rates for 2008*

	EUR		USD		SGD	
Closing level 3-month interest rate 2008	2.85%	2.85%	1.54%	1.54%	0.56%	0.56%
Reasonably possible change	25%	- 25%	25%	- 25%	25%	- 25%
<b>Effect on net profit</b>	<b>- 1.9</b>	<b>1.9</b>	<b>- 0.2</b>	<b>0.2</b>	<b>- 0.2</b>	<b>0.2</b>
<b>Effect on revaluation reserve derivatives shareholders' equity</b>	<b>15.0</b>	<b>- 16.5</b>	<b>- 0.2</b>	<b>0.1</b>	<b>0.4</b>	<b>- 0.4</b>

*Other price risks*

The group has no significant equity or bonds which are valued at fair value as available for sale or fair value through statement of income.

**Credit risk and credit risk management**

Vopak's maximum exposure to credit risks is the carrying amount of financial assets amounting to EUR 395.4 million (prior year EUR 339.3 million) (see note 14) and the credit replacing guarantees amounting to EUR 30.7 million (2008: EUR 19.8 million). Loans granted to joint ventures are not secured by collaterals. Exposure to the risk of bad debt is limited as the value of the product stored for these clients usually exceeds the value of the receivables and Vopak generally has the right of retention although other claims may have priority ranking over the right of retention in a bankruptcy case. Assessing the financial positions of counterparties is part of our credit management and tendering process, but cannot exclude all credit risk. In view of the global financial crisis Vopak has intensified credit management and monitoring of outstanding receivables and stored products.

The Group's management considers that all the financial assets that are not impaired or past due for each of the reporting dates under review are of good quality. The credit risk for cash and cash equivalents and derivative financial instruments is considered negligible. As far as possible, financial instruments and cash and cash equivalents are spread evenly across a select group of financial institutions with daily limiting the cash and cash equivalents within the Group. The exposure to each financial institution is assessed regularly and appropriate action is taken within Vopak's treasury policy.

**Liquidity risks and liquidity risk management**

Liquidity risk is defined as the risk that the group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Vopak is a capital-intensive company. The financing policy is directed at establishing and maintaining an optimal financing structure that takes due account of the current asset base and the investment programme. Vopak seeks access to the capital markets and flexibility at acceptable finance costs. The liquidity requirements are continuously monitored and funding is planned in such a way as to avoid excessive short-term financing needs. The long-term liquidity risk is assessed prior to every major investment obligation and the current financing policy is reviewed on the basis of this assessment and adjusted where necessary. The group works actively to maintain and further develop the diversified funding base it already has, with regard to the number of markets and the number of investors.

In 2009 Vopak issued new senior unsecured Notes in the Asian Private Placement market (SGD 210 million) and in the US Private Placement market (USD 680 million). The Asian PPs have a 'bullet maturity' of 5 years. The US PPs consists of various tranches with maturities ranging from 8 to 20 years in 3 different currencies of which 575 million is denominated in US dollars

Corporate Treasury acts as an in-house bank that internally allocates funds raised centrally. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to Corporate Treasury and operating companies are funded by a combination of equity and inter-company loans. The bank loan of Vopak Terminals Singapore Pte. Ltd. (SGD 200 million) is an exception. Joint ventures and associates, where possible, are funded optimally with debt on a non-recourse basis for Vopak, with account being taken of local circumstances and contractual obligations. Active cash management is a daily responsibility and each quarter the liquidity requirements are identified based on thorough scenario planning. Corporate Treasury invests surplus cash in interest-bearing current accounts and deposit accounts.

Due to the new private placements the revolving credit facility with a maturity date until August 2012 has been fully repaid. This facility may be drawn in various currencies and with different terms, up to an amount of EUR 1.0 billion. The facility includes an option to raise the amount to EUR 1.2 billion. At year-end 2009 the facility is fully available (see note 26). At 31 December 2009 the group also has committed unused lines of credit of EUR 110.0 million that is available to meet short-term liquidity needs. There are no significant restrictions on the use of these facilities.

The table below analyses the group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. Derivative financial instruments are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The table also analyses the maturity profile of financial assets in order to provide a complete view of the contractual commitments and liquidity. The amounts disclosed in the table are the contractual undiscounted cash flows. The financial guarantees and securities are contingent liabilities.

Comparative information need not to be presented in the first year of applying the amendments of IFRS 7.

*Liquidity risk at 31 December 2009*

In EUR millions	Years			
	Less than 1	1-2	2-5	Over 5
Cash and cash equivalents	189.4	–	–	–
Trade debtors	67.4	–	–	–
Other accounts receivables	114.8	–	–	–
<b>Total undiscounted financial assets (excluding gross settled derivatives)</b>	<b>371.6</b>	<b>–</b>	<b>–</b>	<b>–</b>
Redemption of interest-bearing loans	25.1	179.5	204.4	781.3
Interest payments	65.9	56.4	146.1	266.4
Trade creditors	38.6	–	–	–
Other trade payables	93.0	–	–	–
Wage tax and social security charges	5.6	–	–	–
Financial guarantees and securities	65.3	–	–	–
Interest rate swaps	8.9	17.1	0.2	- 0.1
<b>Total undiscounted financial liabilities (excluding gross settled derivatives)</b>	<b>302.4</b>	<b>253.0</b>	<b>350.7</b>	<b>1,047.6</b>
Derivative financial instruments outflow	539.6	–	–	–
Derivative financial instruments inflow	- 533.6	–	–	–
<b>Total undiscounted gross settled derivatives</b>	<b>6.0</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Liquidity movement</b>	<b>63.2</b>	<b>- 253.0</b>	<b>- 350.7</b>	<b>- 1,047.6</b>

The lenders have the right to demand complete repayment of the outstanding amounts in case any person or any group of persons acting together, except for the shareholders with a shareholding of more than 5 per cent as per end of 2009, acquires control of more than 50% of the voting rights of Koninklijke Vopak N.V. (Change of Control).

### **Management of pension risk**

Vopak operates a number of pension schemes including defined benefit schemes. The Dutch pension scheme represents 83% of the total defined plans, whilst the pension schemes in the United States and United Kingdom each represents approximately 6% of the total defined benefit plans. The liabilities and pension charges related to the defined benefit schemes are subject to risks regarding changes in discount rates, plan asset values and returns derived from these assets, future salary increases, inflation and life expectancy. Such changes can negatively influence the liabilities and necessitate additional future pension charges under IAS 19. A sensitivity analysis with respect to the impact on pension charges of changes in the major assumptions is included in note 27 to the consolidated statement of financial position.

The risks of market related fluctuations in the value of plan assets are managed through prudent investments strategies and close monitoring. Asset liability modeling including stress scenario testing is part of the portfolio management for the major schemes.

On a local basis cash contributions may be needed if local funding levels deteriorate. These contributions are subject to local arrangements and legal requirements. As far as possible Vopak aims to reduce the volatility in cash contributions.

## Segment Reporting

All amounts are in EUR millions, unless stated otherwise.

### General

The segmentation is based on the internal organisation of the Group and the management reporting structure as required by IFRS 8. The Group is organised in market regions, divided into five divisions. In these regions, the Group acts as independent tank terminal operator specialized in the storage and transfer of liquid and gaseous chemical and oil products, with complementary logistics services (other activities) provided to customers at its terminals.

### Segmentation

Statement of income	Revenues		Depreciation and amortization		Result of joint ventures and associates		Group operating profit	
	2009	2008	2009	2008	2009	2008	2009	2008
Chemicals Europe, Middle East & Africa	312.7	313.1	39.3	34.1	1.8	2.3	92.1	94.1
<i>of which the Netherlands</i>	<i>174.9</i>	<i>175.1</i>	<i>21.5</i>	<i>19.3</i>	<i>–</i>	<i>0.2</i>	<i>53.8</i>	<i>56.6</i>
Oil Europe, Middle East & Africa	269.5	251.7	25.9	23.2	32.1	13.3	140.7	113.2
<i>of which the Netherlands</i>	<i>190.5</i>	<i>170.8</i>	<i>18.8</i>	<i>16.6</i>	<i>2.2</i>	<i>3.3</i>	<i>94.1</i>	<i>84.7</i>
Asia	206.2	166.3	39.6	30.7	25.7	23.0	124.6	91.2
<i>of which Singapore</i>	<i>151.1</i>	<i>121.0</i>	<i>28.1</i>	<i>22.2</i>	<i>–</i>	<i>–</i>	<i>84.1</i>	<i>57.7</i>
North America	131.7	118.2	13.0	11.1	3.6	2.1	46.1	34.4
Latin America	77.9	69.9	7.8	7.0	0.7	1.3	24.3	22.0
Non-allocated	3.1	4.3	2.5	2.8	- 3.4	- 3.6	- 36.7	- 32.7
<b>Total</b>	<b>1,001.1</b>	<b>923.5</b>	<b>128.1</b>	<b>108.9</b>	<b>60.5</b>	<b>38.4</b>	<b>391.1</b>	<b>322.2</b>
<b>Reconciliation with the consolidated net profit</b>								
Group operating profit							391.1	322.2
Net finance costs							- 45.7	- 37.6
Profit before income tax							345.4	284.6
Income tax							- 68.9	- 54.9
<b>Net profit</b>							<b>276.5</b>	<b>229.7</b>

As the Group neither allocates interest expense to segments nor account for taxes in them, there is no segmented disclosure of the net profit. There are no single external customers with 10 per cent or more of the Group's total revenues.

In addition to amortization and depreciation, impairments were recognized in 2009 by the division Asia (EUR 0.5 million) for an impairment of a pipeline connection in Lanshan (China) and by the division Oil Europe, Middle East & Africa for the relocation of the Walterhof terminal to another Vopak location in Hamburg (EUR 2.5 million).

The result of joint ventures and associates included a total impairment of EUR 5.6 million. Impairments were recognized within the division Asia on the interest in the joint venture Xiamen (EUR 3.1 million) and within the non-allocated activities for Vopak's interest in real estate in Rotterdam (EUR 2.5 million).

As a result of the impairments recognized in 2009, the only loss making operations were the joint venture in Xiamen and the real estate joint venture.

In 2008 the result of joint ventures and associates included a total impairment of EUR 10.1 million which was recognized for Vopak's interests in real estate (EUR 5.4 million) and Xiamen, China (EUR 4.7 million). On group company level a total impairment of EUR 1.0 million was recognized in 2008 for the Ipswich terminal, United Kingdom (EUR 0.9 million) and the agency activities in France (EUR 0.1 million).



Statement of financial position	Assets of subsidiaries		Joint ventures and associates		Total assets		Total liabilities	
	2009	2008	2009	2008	2009	2008	2009	2008
Chemicals Europe, Middle East & Africa	673.1	614.2	18.4	18.1	691.5	632.3	104.9	116.9
<i>of which the Netherlands</i>	366.9	321.4	1.5	1.5	368.4	322.9	45.9	60.3
Oil Europe, Middle East & Africa	525.1	440.5	160.0	128.4	685.1	568.9	151.4	168.7
<i>of which the Netherlands</i>	418.0	337.7	7.2	5.6	425.2	343.3	54.1	60.7
Asia	754.5	664.6	194.1	179.4	948.6	844.0	211.6	224.0
<i>of which Singapore</i>	443.5	421.6	–	–	443.5	421.6	184.2	207.1
North America	213.9	204.9	86.2	83.6	300.1	288.5	71.5	72.3
Latin America	174.6	119.3	4.3	3.9	178.9	123.2	28.9	20.6
Non-allocated	299.9	159.0	31.9	18.4	331.8	177.4	1,234.9	1,022.8
<b>Total</b>	<b>2,641.1</b>	<b>2,202.5</b>	<b>494.9</b>	<b>431.8</b>	<b>3,136.0</b>	<b>2,634.3</b>	<b>1,803.2</b>	<b>1,625.3</b>

Investments <sup>1)</sup>	Intangible assets		Property, plant and equipment		Other non-current assets		Joint ventures and associates		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Chemicals Europe, Middle East & Africa	0.9	0.6	110.1	133.8	0.1	–	–	–	111.1	134.4
<i>of which the Netherlands</i>	0.4	0.5	85.6	76.2	–	–	–	–	86.0	76.7
Oil Europe, Middle East & Africa	1.0	1.6	173.1	79.3	–	–	–	–	174.1	80.9
<i>of which the Netherlands</i>	0.6	1.4	147.7	51.4	–	–	–	–	148.3	52.8
Asia	0.2	0.2	95.7	189.0	6.9	0.7	17.8	16.9	120.6	206.8
<i>of which Singapore</i>	0.1	0.2	42.1	138.3	0.3	0.7	–	–	42.5	139.2
North America	0.4	0.6	27.3	33.2	–	0.9	–	–	27.7	34.7
Latin America	1.0	0.1	48.5	20.5	0.5	0.1	–	–	50.0	20.7
Non-allocated	2.3	2.6	0.7	0.2	–	–	18.5	23.5	21.5	26.3
<b>Total</b>	<b>5.8</b>	<b>5.7</b>	<b>455.4</b>	<b>456.0</b>	<b>7.5</b>	<b>1.7</b>	<b>36.3</b>	<b>40.4</b>	<b>505.0</b>	<b>503.8</b>

<sup>1)</sup> Excluding loans granted and acquisition of subsidiaries, joint ventures and associates

## Changes in Subsidiaries

### Subsidiaries

Subsidiaries are fully consolidated from the date on which control is transferred to Vopak and are deconsolidated from the date on which Vopak's control ceases. The changes and the effects on Vopak's financial position were as follows:

In EUR millions	2009		2008		
	Acquisitions	Divestments	Acquisitions	Transfer of subsidiary into joint venture	Other movements
Intangible assets other than goodwill	1.6	–	–	- 25.3	- 0.1
Property, plant and equipment	–	- 11.7	48.1	- 45.0	- 21.3
Financial assets	–	–	–	–	- 7.7
Other non-current assets	–	- 1.3	4.0	–	–
<b>Total non-current assets</b>	<b>1.6</b>	<b>- 13.0</b>	<b>52.1</b>	<b>- 70.3</b>	<b>- 29.1</b>
Cash and cash equivalents	0.1	- 0.6	2.9	- 5.2	- 0.8
Other current assets	0.1	- 1.6	1.0	- 2.4	- 11.0
<b>Total current assets</b>	<b>0.2</b>	<b>- 2.2</b>	<b>3.9</b>	<b>- 7.6</b>	<b>- 11.8</b>
<b>Total assets</b>	<b>1.8</b>	<b>- 15.2</b>	<b>56.0</b>	<b>- 77.9</b>	<b>- 40.9</b>
Interest-bearing loans	–	–	1.1	- 13.7	–
Deferred taxes	0.5	- 1.1	0.9	- 6.3	–
Other provisions	–	–	–	–	- 0.4
<b>Total non-current liabilities</b>	<b>0.5</b>	<b>- 1.1</b>	<b>2.0</b>	<b>- 20.0</b>	<b>- 0.4</b>
Other current liabilities	0.1	- 2.8	0.9	- 3.7	- 5.8
<b>Total current liabilities</b>	<b>0.1</b>	<b>- 2.8</b>	<b>0.9</b>	<b>- 3.7</b>	<b>- 5.8</b>
<b>Total liabilities</b>	<b>0.6</b>	<b>- 3.9</b>	<b>2.9</b>	<b>- 23.7</b>	<b>- 6.2</b>
<b>Net identifiable assets and liabilities at fair value</b>					
<b>respectively carrying value</b>	<b>1.2</b>	<b>- 11.3</b>	<b>53.1</b>	<b>- 54.2</b>	<b>- 34.7</b>
Deferred payment	- 2.9	–	–	–	–
Revaluations attributable to the Group	–	–	–	6.3	–
Retained earnings	–	–	–	- 6.3	–
Increase in investments in joint ventures	–	–	–	32.1	–
Increase in loans to joint ventures	–	–	–	20.6	–
Non-controlling interests	–	–	- 0.5	–	- 0.5
Use of exchange differences on net investments in foreign entities (to statement of income)	–	0.4	–	1.5	–
Goodwill on acquisitions	2.9	–	6.5	–	–
Transfer to Held for sale	–	11.3	–	–	34.3
Divestment assets held for sale	–	- 11.3	–	–	–
Gains (-) and losses on sale of controlling interest subsidiaries	–	- 5.4	–	–	0.7
<b>Cash and cash equivalents paid and received (-)</b>	<b>1.2</b>	<b>- 16.3</b>	<b>59.1</b>	<b>–</b>	<b>- 0.2</b>
Cash and cash equivalents to Held for sale	–	–	–	–	0.7
Cash and cash equivalents of subsidiaries acquired (-) and sold	- 0.1	–	- 2.9	5.2	0.1
<b>Net cash flows paid and received (-)</b>	<b>1.1</b>	<b>- 16.3</b>	<b>56.2</b>	<b>5.2</b>	<b>0.6</b>

### 2009

#### Acquisitions

In 2009, Vopak made two acquisitions with limited impact. In Germany, agency operations were acquired and in France, Vopak acquired a 90% interest in the development of an LNG terminal in Fos-sur-Mer.

#### Divestments

On 17 November 2009 Vopak divested its terminal in Basle, Switzerland. This generated a net cash flow of EUR 16.3 million and a gain of EUR 5.4 million.

## 2008

In 2008 Vopak entered into a number of acquisitions and relinquished control of the barging activities and oil storage activities in Estonia due to combinations. All business combinations have been accounted for using the purchase method of accounting.

### *Acquisitions*

The business combinations in 2008 related to the acquisition of the terminals in Pasir Gudang (Malaysia), South Wilmington (USA) and Merak (Indonesia) and the acquisition of a company in Marmara (Turkey) with an industrial plot of land on the coast of the Sea of Marmara.

The business combinations were individually deemed immaterial and are shown on aggregated level in the above table.

The total net cash out flow amounted to EUR 56.2 million. The total goodwill of EUR 6.5 relates to items, other than property, plant and equipment, which do not meet the recognition criteria for intangible assets because they do not meet the identifiability criterion (for example, customer contacts) or cannot be controlled by the company (for example, workforce).

The Pasir Gudang terminal was acquired on 24 April 2008 and consists of 17 tanks with a total storage capacity of 20,600 cbm. The land use rights and building were valued at market value and the terminal at depreciated replacement cost by independent qualified appraisers.

The terminal in South Wilmington (USA) was acquired on 3 October 2008 and serves as a storage capacity for oil and chemical products. It currently operates approximately 50,000 cbm of storage capacity. At acquisition date the terminal has been valued by an independent qualified appraiser using a two-step process. First the income approach was utilized to establish the business enterprise value of the business purchased and in the second step a bottom-up approach was used to value the tangible assets and liabilities. There were no major differences between the business enterprise value and the bottom-up approach.

On 7 October 2008 Vopak acquired a 95% shareholding in Vopak Terminal Merak (Indonesia), with a total storage capacity of 76,900 cubic meters (cbm). There is existing land available to expand the terminal. At acquisition date the terminal has been valued using the income approach.

On 7 November 2008 Vopak acquired the shares of GY Elyaf ve Iplik Sanayi Ticaret Anonim Sirketi from Global Yatirim Holding A.S. The principal asset of the company is a 26 ha. industrial plot of land on the coast of the Sea of Marmara (Turkey) which has been valued by an independent, qualified appraiser at market value.

### *Transfer of a subsidiary into a joint venture*

On 23 April 2008 Vopak (owner of Pakterminal) and the Russian infrastructure services company N-Trans (owner of Estonian Oil Service) combined their oil terminal activities in Tallinn (Estonia). This combination has resulted for Vopak from control into joint control. As a result of this transfer of a subsidiary into a joint venture Vopak acquired at combination date a 25% interest in this joint venture and immediately increased this shareholding to 35% and subsequently on 31 July 2008 to 50%. As a result of this transfer Vopak recognized a gain in 2008 of EUR 5.2 million, which has no cash movement effect.

Due to these transactions in 2008 a part of the revaluation reserve (which results from getting the full ownership of Pakterminal in 2007) after deduction of deferred taxes (EUR 6.3 million) was transferred from Other reserves to Retained earnings.

### *Other movements*

During 2008 the barging activities of Vopak Barging Europe were reclassified as Held for sale and on 2 June 2008 these activities were transferred to Interstream Barging, an existing joint venture between Vopak and Van der Sluijs Group.

On 15 December 2008, Vopak divested the warehousing activities in Australia in which Vopak had a majority share of 55%.

## Notes to the Consolidated Statement of Income

All amounts are in EUR millions, unless stated otherwise.

### 1. Exceptional items

	Note	2009	2008
Gains on sale of property, plant and equipment	2	5.7	–
Gains on sale of assets held for sale	2	5.4	4.8
Impairments	4	- 3.0	- 1.0
Use of grant to compensate impairments	2	2.5	–
Impairment joint ventures	6	- 5.6	- 10.1
Gains on deconsolidations of subsidiaries	2	0.8	6.3
Losses on sale of subsidiaries	5	–	- 0.7
Results on sale of joint ventures	6	–	2.6
Losses on sale of assets held for sale	5	–	- 0.1
<b>Group operating profit</b>		<b>5.8</b>	<b>1.8</b>
Tax on above-mentioned items		- 1.1	- 0.1
Exceptional movements in prior-year taxes	9	–	8.2
<b>Taxes</b>		<b>- 1.1</b>	<b>8.1</b>
<b>Total effect on net profit</b>		<b>4.7</b>	<b>9.9</b>

### 2. Other operating income

	Note	2009	2008
Gains on sale of property, plant and equipment		8.3	1.3
Gains on sale of assets held for sale		5.4	4.8
Gains on deconsolidations of subsidiaries		0.8	6.3
Use of grant to compensate impairments	12	2.5	–
Other		3.9	3.4
<b>Total</b>		<b>20.9</b>	<b>15.8</b>

The gains on sale of property, plant and equipment include mainly the exceptional result on the sale of land in Purfleet (UK).

Gains on sale of assets held for sale related to the gain on the divestment of the terminal in Basle, Switzerland.

Gains on deconsolidations of subsidiaries related to an adjustment of the selling price of Standic terminal (EUR 0.8 million) which was disposed of in 2007.

### 3. Personnel expenses

	Note	2009	2008
Wages and salaries		191.0	183.0
Social security charges		25.3	24.8
Contribution to pension schemes (defined contribution)	27	7.7	8.8
Pension charges (defined benefit plans)	27	19.0	5.3
Long-term incentive plans	28	2.5	1.5
Other long-term pension and other employee benefits		0.1	0.1
Early retirement		2.6	1.6
Other personnel costs		26.2	25.7
<b>Total</b>		<b>274.4</b>	<b>250.8</b>

#### Average number of employees (in FTEs)

During the year under review, the Group employed an average of 3,911 employees and temporary staff (2008: 3,874).

## Movements in the number of employees (in FTEs)

	2009	2008
<b>Number at 1 January</b>	<b>3,669</b>	<b>3,564</b>
Acquisitions	5	84
Deconsolidations	- 28	- 197
Entered service/left service	61	218
<b>Number at 31 December</b>	<b>3,707</b>	<b>3,669</b>

## 4. Depreciation, amortization and impairment

	Note	2009	2008
Intangible assets	11	7.6	7.9
Property, plant and equipment	12	120.5	101.0
Impairments	11, 12	3.0	1.0
<b>Total</b>		<b>131.1</b>	<b>109.9</b>

## 5. Other operating expenses

	2009	2008
Maintenance	50.1	49.2
Operating lease	36.4	32.4
Fuel	46.4	50.4
Environmental, safety and cleaning	25.3	27.1
Insurance	23.5	18.6
Advisory fees	22.0	25.2
Provisions for onerous contracts due to activities disposed of in the past	0.7	–
Vessel charter and voyage expenses	–	4.6
Losses on sale of subsidiaries	–	0.7
Losses on sale of assets held for sale	–	0.1
Losses on sale of intangible assets and property, plant and equipment	1.0	0.6
Other	80.5	85.9
<b>Total</b>	<b>285.9</b>	<b>294.8</b>

Vessel charter and voyage expenses fell compared to 2008 as a result of the transfer of the barging activities to the Interstream Barging joint venture on 2 June 2008.

Grants by way of compensation for costs incurred are deducted from the costs and recognized in the same period in which the costs are incurred. During 2009 EUR 2.4 million of grants was used to compensate for costs incurred (see note 12).

The fees listed below relate to the procedures applied to the company and its consolidated group entities by PricewaterhouseCoopers Accountants N.V., the Netherlands, the external auditor as referred to in Section 1(1) of the Dutch Accounting Firms Oversight Act (Dutch acronym: Wta), as well as by other Dutch and foreign-based PricewaterhouseCoopers individual partnerships and legal entities, including their tax services and advisory groups:

	2009	2008
Financial statements audit fees	1.1	1.1
Other assurance fees	0.1	0.2
Tax fees	0.3	0.1
<b>Total</b>	<b>1.5</b>	<b>1.4</b>

The total fees of PricewaterhouseCoopers Accountants N.V., the Netherlands, charged to the company and its consolidated group entities amounted to EUR 0.6 million in 2009 (2008: EUR 0.7 million).

The financial statements audit fees include the aggregate fees in each of 2009 and 2008 for professional services rendered for the audit of Vopak's annual financial statements and annual statutory financial statements of subsidiaries or services that are normally provided by the auditor in connection with the audits. The other assurance fees include the aggregate fees billed for assurance and related services, including due diligence and assurance services related to potential acquisitions. The tax category includes tax advisory and compliance services.



A description of the work performed by the Audit Committee in order to safeguard auditor independence is set out in the Report of the Supervisory Board (see page 15).

## 6. Result of joint ventures and associates using the equity method

	2009	2008
Result of joint ventures and associates	66.1	45.9
Impairments joint ventures	- 5.6	- 10.1
Result on sale of joint ventures	–	2.6
<b>Total</b>	<b>60.5</b>	<b>38.4</b>

When a triggering event occurs, such as an material adverse market event or a significant change in forecasts or assumptions, Vopak performs an impairment test on the joint ventures and associates likely to be affected. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

During 2009 impairments were recognized for the joint venture in Xiamen, China (EUR 3.1 million) and for participating interest in real estate in the Netherlands (EUR 2.5 million).

With respect to joint ventures, to the extent that tank storage activities are concerned, the effects of the proportionate consolidation method, based on the principles that apply to the Group's consolidated financial statements, on the statement of income and the statement of financial position are shown below.

### Statement of income

	2009	2008
<b>Revenues</b>	<b>219.4</b>	<b>144.4</b>
<b>Group operating profit</b>	<b>89.5</b>	<b>53.1</b>
Net profit of tank storage activities	60.8	37.8
Net profit of other activities	- 0.3	0.6
<b>Total net profit</b>	<b>60.5</b>	<b>38.4</b>

### Statement of financial position

	Note	2009	2008
Total non-current assets		832.4	727.0
Total current assets		81.3	78.7
<b>Total assets</b>		<b>913.7</b>	<b>805.7</b>
Total non-current liabilities		- 356.0	324.2
Total current liabilities		- 86.8	74.0
<b>Total liabilities</b>		<b>- 442.8</b>	<b>398.2</b>
<b>Joint ventures in tank storage activities</b>		<b>470.9</b>	<b>407.5</b>
Joint ventures and associates in other activities		24.0	24.3
<b>Joint ventures and associates</b>	13	<b>494.9</b>	<b>431.8</b>

The effects of the proportionate consolidation method on the statement of financial position and statement of income of the Group are shown on page 37.

## 7. Interest and dividend income

	2009	2008
Interest income	6.3	8.2
Dividends on other financial assets	0.4	0.3
<b>Total</b>	<b>6.7</b>	<b>8.5</b>

## 8. Finance costs

	Note	2009	2008
Interest expense		- 51.0	- 55.6
Capitalized interest		6.9	8.3
Interest component of provisions	27, 28	- 1.7	- 1.4
Exchange differences:			
– Use of exchange difference reserve (hedged item)	23	0.1	0.1
– Use of exchange difference reserve (hedged instruments)	23	–	–
– Other		- 3.0	4.3
		- 2.9	4.4
Derivative financial instruments:			
– Interest component derivative financial instruments (net investment hedge)		- 0.9	4.5
– Fair value adjustments to derivative financial instruments (no hedge accounting)		0.6	- 1.6
– Fair value adjustments to interest rate swaps (fair value hedge)		0.8	- 1.7
– Fair value adjustments to loans (fair value hedge)		- 0.7	1.6
– Use of revaluation reserve derivatives (cash flow hedge)	23	- 1.6	- 2.1
		- 1.8	0.7
Commitment fee		- 0.9	- 0.8
Other		- 1.0	- 1.7
<b>Total</b>		<b>- 52.4</b>	<b>- 46.1</b>

Capitalized interest during construction was subject to an average interest rate of 5.1% (2008: 6.2%).

## 9. Income tax

### 9.1 Recognized in the statement of income

	2009	2008
<b>Current taxes</b>		
Current financial year	45.6	44.1
Adjustments for prior years	- 1.0	- 0.7
Exceptional movements in prior-year taxes	–	- 7.7
	44.6	35.7
<b>Deferred taxes</b>		
Origin and reversal of temporary differences	26.3	25.1
Tax losses utilized	7.2	2.8
Changes in tax rates	- 3.0	- 1.1
Recognition of tax losses	- 5.0	- 7.2
Other	- 1.2	0.1
Exceptional movements in prior-year taxes	–	- 0.5
	24.3	19.2
<b>Tax on profit</b>	<b>68.9</b>	<b>54.9</b>

### 9.2 Reconciliation of effective tax rate

The reconciliation of the effective tax rate is shown in the following table.

The effective tax rate 2009 before exceptional movements was lower than in the preceding year mainly as a result of the release of the deferred tax liability of Singapore due to a tax rate reduction (EUR 2.6 million) and a larger share of profit before income tax being eligible for participation exemption facilities.

The exceptional movements in prior-year taxes in 2008 were settlements of tax positions related to pre Univar split-off period.

The balance of tax losses current year and (un)recognized losses represent the effects of the non-valuation of current year and previous year losses and utilization of losses previously unrecognized.

	Note	2009		2008	
Profit before income tax		345.4		284.6	
Tax on profit		68.9		54.9	
Effective tax rate		19.9%		19.3%	
Composition:		Amount	%	Amount	%
– Weighted average statutory tax rates		90.4	26.1	75.9	26.6
– Tax losses current year		6.5	1.9	5.9	2.1
Weighted average excluding tax losses		96.9	28.0	81.8	28.7
– Participation exemption		- 16.7	- 4.8	- 11.5	- 4.0
– Non-deductible expenses		5.5	1.6	3.7	1.3
– Changes in tax rates		- 2.9	- 0.8	- 1.1	- 0.4
– (Un)recognized losses		- 5.1	- 1.5	- 7.5	- 2.6
– Tax facilities		- 1.2	- 0.4	- 0.6	- 0.2
– Movements in prior-year taxes		- 1.0	- 0.3	- 0.7	- 0.2
– Other effects		- 6.6	- 1.9	- 1.0	- 0.4
Effective tax rate before exceptional items		68.9	19.9	63.1	22.2
Exceptional movements in prior-year taxes	1	–	–	- 8.2	- 2.9
Effective tax rate		68.9	19.9	54.9	19.3

### 9.3 Taxes recognized in comprehensive income

	Note	2009	2008
On exchange differences and hedges	23	3.0	- 11.5
On use of exchange differences and hedges	23	–	- 0.4
On changes in the value of cash flow hedges	23	- 0.6	- 0.8
On use of cash flow hedges	23	0.4	0.5
<b>Total</b>		<b>2.8</b>	<b>- 12.2</b>

## 10. Earnings per ordinary share

Earnings per ordinary share are calculated by dividing the net profit attributable to holders of ordinary shares by the weighted average number of outstanding ordinary shares (excluding the average number of treasury shares). The weighted average number of outstanding shares was 63,194,223 in 2009 (2008: 62,331,686).

In calculating the diluted earnings per ordinary share, the weighted average number of outstanding shares is adjusted for the dilutive effects of share option schemes. As at 31 December 2009 no options were outstanding there was no dilutive effect.

As at 31 December 2008, the exercise price of 35,000 options was lower than the share price (EUR 27.00), the dilutive effect at the time being 15,342 shares.

The composition of the weighted average number of outstanding shares and of the diluted weighted average number of outstanding shares is as follows:

In thousands	Note	2009	2008
Issued ordinary shares at 1 January	22	62,331	62,391
Issuance of new ordinary shares	22	924	–
Repurchase for treasury stock	22	- 71	- 75
Sales from treasury stock	22	10	16
<b>Weighted average number of ordinary shares at 31 December</b>		<b>63,194</b>	<b>62,332</b>
Dilutive effect of share option schemes	32	–	15
<b>Diluted weighted average number of ordinary shares at 31 December</b>		<b>63,194</b>	<b>62,347</b>

During 2009 Vopak repurchased 95,000 of its own shares for the equity settled share based long-term incentive plan. When the vesting conditions are met then the equity-settlement will result in an increase of the the number of outstanding shares.

## Notes to the Consolidated Statement of Financial Position

All amounts are in EUR millions, unless stated otherwise.

### 11. Intangible assets

Movements in intangible assets were as follows:

	Note	Goodwill	Software	Other	Total
Purchase price of operating assets		26.4	52.0	20.1	98.5
Accumulated amortization and impairment		- 3.7	- 31.4	- 4.0	- 39.1
Carrying amount in use		22.7	20.6	16.1	59.4
Purchase price under construction		–	3.2	–	3.2
<b>Carrying amount at 1 January 2008</b>		<b>22.7</b>	<b>23.8</b>	<b>16.1</b>	<b>62.6</b>
Movements:					
– Acquisitions		6.5	–	–	6.5
– Additions		–	5.4	0.3	5.7
– Disposals		–	- 0.2	–	- 0.2
– Deconsolidations		- 13.7	–	- 11.6	- 25.3
– Reclassification to assets held for sale		–	- 0.1	–	- 0.1
– Amortization	4	–	- 7.1	- 0.8	- 7.9
– Impairment	4	- 0.1	–	–	- 0.1
– Exchange differences		- 1.2	- 0.3	- 0.9	- 2.4
<b>Carrying amount at 31 December 2008</b>		<b>14.2</b>	<b>21.5</b>	<b>3.1</b>	<b>38.8</b>
Purchase price of operating assets		14.3	55.0	7.4	76.7
Accumulated amortization and impairment		- 0.1	- 36.7	- 4.3	- 41.1
Carrying amount in use		14.2	18.3	3.1	35.6
Purchase price under construction		–	3.2	–	3.2
<b>Carrying amount at 31 December 2008</b>		<b>14.2</b>	<b>21.5</b>	<b>3.1</b>	<b>38.8</b>
Movements:					
– Acquisitions		2.9	–	1.6	4.5
– Additions		–	5.4	0.4	5.8
– Disposals		–	- 0.5	–	- 0.5
– Amortization	4	–	- 6.7	- 0.9	- 7.6
– Exchange differences		- 0.1	–	0.1	–
<b>Carrying amount at 31 December 2009</b>		<b>17.0</b>	<b>19.7</b>	<b>4.3</b>	<b>41.0</b>
Purchase price of operating assets		17.1	58.2	9.4	84.7
Accumulated amortization and impairment		- 0.1	- 43.5	- 5.1	- 48.7
Carrying amount in use		17.0	14.7	4.3	36.0
Purchase price under construction		–	5.0	–	5.0
<b>Carrying amount at 31 December 2009</b>		<b>17.0</b>	<b>19.7</b>	<b>4.3</b>	<b>41.0</b>

Vopak acquired several entities in business combinations that have been accounted for by the purchase method, resulting in recognition of goodwill and other intangible assets (see pages 104 and 105).

The amounts assigned to the acquired assets and liabilities are based on assumptions and estimates about their fair values. In making these estimates, management consults independent, qualified appraisers if appropriate. A change in assumptions and estimates could change the values allocated to certain assets and estimated economic lives, which could affect the amount or timing of charges to the statement of income, such as amortization of intangible assets

On 16 July 2009 Vopak and Shell announced to jointly develop a liquefied natural gas (LNG) terminal at Fos-sur-Mer, France. Vopak has acquired a 90% share and Société des Pétroles Shell shall hold the remaining 10%. Fos Faster will be developed as part of the expansion strategy of the Grand Port Maritime de Marseille and in close cooperation with the Port Authority. For entrance to the project Vopak will compensate Shell of which the discounted value is recognized as goodwill (EUR 2.9 million).

The Fos Faster LNG terminal has an initial planned capacity of around 8 billion cubic meters of gas per year, more than 15% of the current annual gas consumption of France, and will be positioned as an independent multi-customer terminal. Subject to market demand, permitting and approval processes the terminal could commence operations around the middle of the next decade. The business model of the terminal will be similar to the Gate terminal currently under construction in Rotterdam.

#### **Impairment tests for goodwill**

The cash flow generating components to which goodwill is allocated are reviewed for impairments. The recoverable amount is based on the value-in-use calculation. These calculations use cash flows projections based on group operating profits and sustaining capital expenditures of the budget for the coming year and the two subsequent planning years. Cash flows beyond the previously mentioned period of three years are extrapolated, using a stable or decreasing growth rate, unless an increasing rate can be substantiated. Given that the cash flows are estimated before taxes, the discount rates used are pre-tax and reflect specific risks relating to the countries.

During 2009 no impairment of goodwill was recognized. The impairment recognized in 2008 related to the impairment of goodwill on the agency activities in France.



## 12. Property, plant and equipment

Movements in property, plant and equipment were as follows:

	Note	Land	Buildings	Tank storage terminals	Vessels	Machinery and equipment	Total
Purchase price of operating assets		23.4	144.2	1,989.8	40.5	138.8	2,336.7
Accumulated depreciation and impairment		–	- 73.2	- 1,082.1	- 20.8	- 84.2	- 1,260.3
Carrying amount in use		23.4	71.0	907.7	19.7	54.6	1,076.4
Purchase price under construction		4.2	5.1	288.4	0.8	10.1	308.6
<b>Carrying amount at 1 January 2008</b>		<b>27.6</b>	<b>76.1</b>	<b>1,196.1</b>	<b>20.5</b>	<b>64.7</b>	<b>1,385.0</b>
Movements:							
– Acquisitions		35.7	1.7	10.7	–	–	48.1
– Additions		0.8	22.3	415.4	–	17.5	456.0
– Disposals		- 0.1	- 0.5	- 0.3	- 0.2	- 0.8	- 1.9
– Deconsolidations		–	–	- 41.1	–	- 5.2	- 46.3
– Reclassification to assets held for sale		–	–	–	- 19.9	- 0.1	- 20.0
– Depreciation	4	–	- 7.6	- 84.2	- 0.4	- 8.8	- 101.0
– Impairment	4	–	–	- 0.8	–	- 0.1	- 0.9
– Exchange differences		- 2.0	1.3	- 22.8	–	- 2.5	- 26.0
<b>Carrying amount at 31 December 2008</b>		<b>62.0</b>	<b>93.3</b>	<b>1,473.0</b>	<b>–</b>	<b>64.7</b>	<b>1,693.0</b>
Purchase price of operating assets		36.1	170.6	2,344.5	0.2	131.9	2,683.3
Accumulated depreciation and impairment		–	- 81.5	- 1,148.4	- 0.2	- 79.9	- 1,310.0
Carrying amount in use		36.1	89.1	1,196.1	–	52.0	1,373.3
Purchase price under construction		25.9	4.2	276.9	–	12.7	319.7
<b>Carrying amount at 31 December 2008</b>		<b>62.0</b>	<b>93.3</b>	<b>1,473.0</b>	<b>–</b>	<b>64.7</b>	<b>1,693.0</b>
Movements:							
– Additions		11.7	19.9	401.8	–	22.0	455.4
– Disposals		–	- 0.2	- 1.9	–	- 0.1	- 2.2
– Reclassification to assets held for sale		- 4.1	- 1.4	- 6.2	–	–	- 11.7
– Depreciation	4	–	- 5.5	- 105.5	–	- 9.5	- 120.5
– Impairment	4	–	–	- 3.0	–	–	- 3.0
– Exchange differences		- 0.3	1.2	38.5	–	0.3	39.7
<b>Carrying amount at 31 December 2009</b>		<b>69.3</b>	<b>107.3</b>	<b>1,796.7</b>	<b>–</b>	<b>77.4</b>	<b>2,050.7</b>
Purchase price of operating assets		44.0	188.3	2,763.6	–	149.5	3,145.4
Accumulated depreciation and impairment		–	- 85.7	- 1,242.8	–	- 89.5	- 1,418.0
Carrying amount in use		44.0	102.6	1,520.8	–	60.0	1,727.4
Purchase price under construction		25.3	4.7	275.9	–	17.4	323.3
<b>Carrying amount at 31 December 2009</b>		<b>69.3</b>	<b>107.3</b>	<b>1,796.7</b>	<b>–</b>	<b>77.4</b>	<b>2,050.7</b>

No equipment was leased on finance leases as at 31 December 2009.

On 24 July 2007 Vopak concluded an agreement with the Hamburg Port Authority Anstalt to relocate the activities of the terminal on the Waltershof site to another location of Vopak Dupeg Terminal Hamburg GmbH, so that the authorities can use the site for other activities. Vopak has received compensation of EUR 101 million for the cost of the relocation. EUR 27 million of the compensation was received on 15 August 2007 and EUR 59 million on 2 January 2008. The remaining EUR 15 million was received on 2 January 2009. Furthermore, a grant of EUR 3 million was received in 2009 for the relocation of the office building.

Grants by way of compensation for costs incurred in connection with assets are deducted from the assets and recognized in the statement of income over the life of the assets.

The movement in grants were as follows:

	Note	2009	2008
<b>Carrying value at 1 January</b>		<b>55.9</b>	<b>11.0</b>
Grant received		17.7	58.8
– Investments		- 23.6	- 9.9
– Impairment of property, plant and equipment	1	- 2.5	–
– Costs attributable to relocation	5	- 2.4	- 4.0
Used		- 28.5	- 13.9
<b>Carrying value at 31 December</b>		<b>45.1</b>	<b>55.9</b>
Non-current liabilities		–	–
Current liabilities	30	45.1	55.9
<b>Carrying value at 31 December</b>		<b>45.1</b>	<b>55.9</b>

For the acquisitions and deconsolidations we refer to page 104.

A number of major projects which were still underway at 31 December 2008 were commissioned in 2009. Large expansion projects were completed in Asia. In Singapore capacity was expanded at Banyan (392,000 cbm) and Penjuru (65,000 cbm). In Sydney (Australia) and Vietnam the capacity was increased by respectively 78,100 cbm and 40,000 cbm. Large scale projects were also commissioned in other regions. For instance, in the Netherlands new capacity was added at Botlek (156,000 cbm) and Vlaardingen (75,000 cbm) whilst in Sweden the capacity was expanded by 60,000 cbm. The terminals at Teesside (UK) and the Left Bank terminal in Antwerp (Belgium) have taken each 40,000 cbm new capacity in use. Throughout the world subsidiaries added a further total of some 77,600 cbm in additional capacity thanks to small-scale expansions. The capacity increases were partly offset due to the demolition of capacity (aggregated 82,600 cbm) at amongst others Hamburg, Sweden and Botlek and the sale of the tankterminal activities in Switzerland (345,600 cbm).

At 31 December 2009, the cost of the assets under construction totalled EUR 323.3 million, over EUR 187 million of which is attributable to large-scale projects. The main projects at the subsidiaries are the new terminal at Westpoort (Amsterdam, Netherlands), of which the first phase of 620,000 cbm is expected to be commissioned in 2011, and the expansion of the capacity by 160,000 for the storage of fuel oil at the Europoort terminal in Rotterdam, Netherlands (commissioning in 2010).

### 13. Joint ventures and associates

Movements in joint ventures and associates, including goodwill, were as follows:

	Joint ventures		Associates		Total	
	2009	2008	2009	2008	2009	2008
<b>Carrying amount at 1 January</b>	<b>431.8</b>	<b>203.9</b>	<b>–</b>	<b>0.7</b>	<b>431.8</b>	<b>204.6</b>
Share in profit	66.1	45.9	–	–	66.1	45.9
Impairments	- 5.6	- 10.1	–	–	- 5.6	- 10.1
Dividends received	- 31.4	- 25.4	–	–	- 31.4	- 25.4
Investments	36.3	40.4	–	–	36.3	40.4
Acquisitions	7.2	127.8	–	–	7.2	127.8
Fair value changes of derivative financial instruments	0.2	- 18.4	–	–	0.2	- 18.4
Exchange differences	- 9.7	31.2	–	–	- 9.7	31.2
Deconsolidations	–	32.1	–	–	–	32.1
Gain on transfer of subsidiary into a joint venture	–	5.2	–	–	–	5.2
Disposals	–	- 0.8	–	–	–	- 0.8
Reclassification to assets held for sale	–	–	–	- 0.7	–	- 0.7
<b>Carrying amount at 31 December</b>	<b>494.9</b>	<b>431.8</b>	<b>–</b>	<b>–</b>	<b>494.9</b>	<b>431.8</b>

None of the joint ventures is listed on the stock exchange. Joint ventures are an important part of the Group. For a representative insight into the economic scope, the effects are shown on page 37 in the statement of financial position and the statement of income of the Group on application of the proportionate consolidation method to the joint ventures, to the extent that tank storage activities are concerned (no subject to external audit procedure).

## 2009

### Acquisitions

On 20 February 2009 one of the shareholders of the joint venture Vopak Horizon Fujairah Limited has divested its 10% stake. This stake has been acquired by the remaining shareholders, which means that Vopak's share has been increased by  $3\frac{1}{3}\%$  up to  $33\frac{1}{3}\%$ .

## 2008

### Transfer of a subsidiary into a joint venture

On 23 April 2008, Vopak and N-Trans, owners respectively of Pakterminal and Estonian Oil Service (E.O.S.) oil storage companies in Tallinn (Estonia), merged their terminal activities into a joint venture (renamed into Vopak E.O.S.). Vopak owned 35% of this joint venture at merger date and expanded its ownership to 50% on 31 July 2008 which is recognized as an acquisition.

On 2 June 2008, Vopak transferred the barging activities of Vopak Barging Europe to Interstream Barging, an existing joint venture between Vopak and Van der Sluijs Group.

### Acquisitions

#### *Vopak Terminal Bahamas*

On 29 April 2008, Vopak and First Reserve Corporation acquired the Bahamas Oil Refining Company's (BORCO) oil storage terminal in Freeport, Bahamas. The equity value of the new company was USD 571 million, split 80%-20% between affiliates of First Reserve Corporation and Vopak, respectively. The terminal, which is renamed into Vopak Terminal Bahamas, is operated as an integral part of the Vopak network.

After revaluation of the identifiable assets and liabilities the goodwill at joint venture level amounted to USD 141 million. Vopak's part of goodwill (20%) is included in the carrying amount of the joint venture. The goodwill has been tested at joint venture level in 2008 and 2009 and no impairments were recognized.

#### *Other*

On 1 August 2008 the Japanese joint venture, Nippon Vopak (40% Vopak-owned) acquired all the assets of the Nagoya and Moji Tank Terminals (Japan) with a total capacity of 84,700 cbm from Mitsui & Co. The acquisition of the two terminals were fully funded by Nippon Vopak and had as such no direct impact on Vopak's investments in joint ventures.

### Disposals

On 4 November 2008 E.ON Ruhrgas AG acquired a 5% equity stake in Gate terminal, the first LNG import terminal under construction in the Netherlands, from Gasunie and Vopak. At the same time E.ON Ruhrgas AG signed a long-term throughput agreement with Gate terminal for an annual throughput of 3 billion cubic meters (bcm) of gas. As a result of this agreement the total annual throughput will increase from 9 bcm to 12 bcm. It is expected to become fully operational as from the second half of 2011. The annual capacity can be increased to 16 bcm in the future. As a result of this transaction Vopak's share in Gate terminal reduced from 42.5% to 40%. The gain on this transaction amounted to EUR 2.6 million.

## 14. Classification of financial instruments

### Financial instruments at fair value

The fair value is the amount for which a financial asset item can be exchanged or a financial liability settled. Vopak adopted the amendments to IFRS 7 (Financial Instruments: Disclosures) effective from 1 January 2009. These amendments require the Group to present certain information about financial instruments measured at fair value in the statement of financial position. In the first year of application, comparative information need not to be presented for the disclosures required by the amendments. Accordingly, the disclosure for the fair value hierarchy is only presented for the year-end 2009.

The financial assets and liabilities measured at fair value in the statement of financial position require to be classified and disclosed in a three-tier fair value hierarchy, which prioritizes the inputs used in measuring the fair value as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: unobservable inputs reflecting the reporting entity's own assumptions or external inputs from inactive markets.

The level within which the financial asset and liability is classified is determined based on the lowest level of significant input.

The financial assets and liabilities measured at fair value in the statement of financial position at 31 December 2009 are all grouped into the fair value hierarchy Level 2 and are as follows:

	Note	2009	2008
<b>Assets at fair value:</b>			
Derivative financial instruments:	31		
– Cross currency interest rate swaps		9.4	1.7
– Interest rate swaps		0.7	2.4
– Forward exchange contracts		1.7	29.3
		<b>11.8</b>	<b>33.4</b>
<b>Liabilities at fair value:</b>			
Derivative financial instruments:	31		
– Cross currency interest rate swaps		- 23.0	- 20.1
– Interest rate swaps		- 2.6	- 4.7
– Forward exchange contracts		- 12.3	- 2.7
		<b>- 37.9</b>	<b>- 27.5</b>
<b>Net at fair value</b>		<b>- 26.1</b>	<b>5.9</b>

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to previous year.

Normally the derivatives entered into by the Group are not traded in active markets. The fair value of these contracts are estimated using a valuation technique that maximises the use of observable market inputs, eg market exchange and interest rates (Level 2). The fair value of interest rate swaps and cross currency interest rate swaps is calculated by discounting the expected future cash flows using the applicable yield curves.

The fair value of forward currency contracts reflects the net present value of the unrealized results from revaluing the contracts at the current exchange rates and yield curves applicable at the end of the year.

At 31 December 2009 Vopak did not have any assets or liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) in the Consolidated Statement of Financial Position. There have been no significant transfers between the levels in the reporting period.

#### Financial instruments carried at amortized cost

The table below summarizes the Group's financial assets and financial liabilities that are carried at amortized cost at year-end 2009 and year-end 2008.

	Note	Carrying amount		Fair value	
		2009	2008	2009	2008
Loans and receivables					
Loans to joint ventures and associates	15	9.4	66.9	9.4	63.1
Other loans	15	2.6	—	2.6	—
Trade receivables	19	67.4	81.5	67.4	81.5
Other receivables	19	114.8	108.2	114.8	108.2
Cash and cash equivalents	20	189.4	49.3	189.4	49.3
		383.6	305.9	383.6	302.1
Other financial liabilities					
Bank overdrafts	20	- 16.8	- 73.9	- 16.8	- 73.9
US Private Placements	26	- 983.4	- 549.3	- 1,115.0	- 667.0
Asian Private Placements	26	- 103.5	—	- 118.6	—
Bank loans and other private placements	26	- 99.5	- 120.3	- 101.7	- 122.8
Credit facilities	26	—	- 301.5	—	- 322.4
Other long-term loans	26	- 3.9	- 1.0	- 3.9	- 1.0
Trade creditors	30	- 38.6	- 47.9	- 38.6	- 47.9
		- 1,245.7	- 1,093.9	- 1,394.6	- 1,235.0
Net at amortized cost		- 862.1	- 788.0	- 1,011.0	- 932.9
Unrecognized financial instruments					
Standby credit facility	26			1,000.0	698.5
Standby bank loans	26			—	—
Total				1,000.0	698.5

The fair value of loans drawn and granted is calculated by discounting the cash flows, using the swap curve as a basis.

## 15. Loans granted

Movements in loans granted were as follows:

	Loans to joint ventures and associates		Other loans		Total	
	2009	2008	2009	2008	2009	2008
<b>Carrying amount at 1 January</b>	<b>66.9</b>	<b>11.6</b>	<b>–</b>	<b>4.2</b>	<b>66.9</b>	<b>15.8</b>
Movements:						
– Loans granted	18.8	109.1	2.6	–	21.4	109.1
– Repayments	- 75.2	- 66.9	–	–	- 75.2	- 66.9
– Exchange differences	- 1.1	- 4.7	–	–	- 1.1	- 4.7
– Transfer of subsidiary into a joint venture	–	20.6	–	–	–	20.6
– Reclassification to assets held for sale	–	- 2.8	–	- 4.2	–	- 7.0
<b>Carrying amount at 31 December</b>	<b>9.4</b>	<b>66.9</b>	<b>2.6</b>	<b>–</b>	<b>12.0</b>	<b>66.9</b>
Non-current receivables	–	–	1.0	–	1.0	–
Current receivables	9.4	66.9	1.6	–	11.0	66.9
<b>Carrying amount at 31 December</b>	<b>9.4</b>	<b>66.9</b>	<b>2.6</b>	<b>–</b>	<b>12.0</b>	<b>66.9</b>

Loans granted include no subordinated loans.



During 2009 Vopak provided a bridging loan facility to PT Jakarta Tank Terminal (JTT), a joint venture between PT AKR Corporindo Tbk and Vopak, until completion of the project financing in August 2009. In August 2009 JTT has completed a USD 60 million financing agreement to finance the construction of Vopak Terminal Jakarta an independent petroleum storage terminal at Tanjung Priok port, Jakarta Indonesia. The first proceeds of this financing agreement were used to fully repay the Vopak bridging loan facility. The financing is supported by a guarantee of Vopak.

Please see note 31 for information on the effective interest rates and the periods in which they are reviewed. Fair value is presented in note 14.

## 16. Other financial assets

The other financial assets comprise for the most part Vopak's interests of less than 20% in companies over which Vopak has no significant influence.

## 17. Deferred taxes

The deferred tax assets and liabilities were allocated as follows:

	Tax carry forward	Temporary differences					Offset deferred tax assets and liabilities	Balance sheet
		Property plant & equipment	Loans granted	Employee benefits	Others	Others		
Assets	3.6	5.8	–	16.4	7.7	0.9	- 18.1	16.3
Liabilities	–	- 103.5	- 5.4	- 2.2	- 18.1	–	18.1	- 111.1
<b>Balance 1 January 2008</b>	<b>3.6</b>	<b>- 97.7</b>	<b>- 5.4</b>	<b>14.2</b>	<b>- 10.4</b>	<b>0.9</b>		<b>- 94.8</b>
Movements:								
– Acquisitions/divestments	–	3.8	–	3.1	- 1.5	–		5.4
– Comprehensive income	- 0.1	0.4	2.4	- 0.5	- 0.2	–		2.0
– Income statement	6.4	- 18.0	0.1	- 18.0	- 2.8	- 0.1		- 32.4
<b>Balance 31 December 2008</b>	<b>9.9</b>	<b>- 111.5</b>	<b>- 2.9</b>	<b>- 1.2</b>	<b>- 14.9</b>	<b>0.8</b>		<b>- 119.8</b>
Assets	9.9	6.0	–	2.7	5.4	0.8	- 18.2	6.6
Liabilities	–	- 117.5	- 2.9	- 3.9	- 20.3	–	18.2	- 126.4
<b>Balance 31 December 2008</b>	<b>9.9</b>	<b>- 111.5</b>	<b>- 2.9</b>	<b>- 1.2</b>	<b>- 14.9</b>	<b>0.8</b>		<b>- 119.8</b>
Movements:								
– Acquisitions/divestments	–	0.9	–	0.2	- 0.5	–		0.6
– Comprehensive income	–	- 1.2	- 2.9	0.1	0.3	–		- 3.7
– Others	–	- 0.1	–	–	- 0.2	–		- 0.3
– Income Statement	2.0	- 8.3	- 1.8	- 18.6	- 7.2	1.2		- 32.7
<b>Balance 31 December 2009</b>	<b>11.9</b>	<b>- 120.2</b>	<b>- 7.6</b>	<b>- 19.5</b>	<b>- 22.5</b>	<b>2.0</b>		<b>- 155.9</b>
Assets	11.9	13.8	–	4.1	4.6	2.0	- 30.8	5.6
Liabilities	–	- 134.0	- 7.6	- 23.6	- 27.1	–	30.8	- 161.5
<b>Balance 31 December 2009</b>	<b>11.9</b>	<b>- 120.2</b>	<b>- 7.6</b>	<b>- 19.5</b>	<b>- 22.5</b>	<b>2.0</b>		<b>- 155.9</b>

Deferred tax assets and liabilities are offset against each other to the extent that this is a legally enforceable right and the deferrals belong to the same fiscal unit. The decision to account for deferred tax assets is taken annually per each fiscal unit after critically assessing whether conditions are sufficient to realize these deferred tax assets, based on the strategic plans and related tax plans.

Carry-forward losses for which deferred tax assets have not fully been recognized amounted to EUR 9.8 million at 31 December 2009 (2008: EUR 5.3 million). The maturity schedule is as follows:

2010	0.3
2013	1.5
2014 and further years	1.9
Offsettable for an unlimited period	6.1
<b>Total</b>	<b>9.8</b>

Deferred tax assets have not been recognized because it is not probable that sufficient taxable profit will be available to utilize the deferred tax asset in time.

In determining the deferred tax liabilities, withholding tax and any other tax due for unremitted earnings of subsidiaries were not recognized. These earnings have been permanently reinvested.

#### 18. Other non-current assets

The prepaid land use rights are allocated to the period to which they relate. The terms remaining at 31 December 2009 vary between 35 to 45 years.

#### 19. Trade and other receivables

	2009	2008
Trade debtors gross	69.9	83.6
Provision for impairment of trade debtors	- 2.5	- 2.1
Trade debtors net	67.4	81.5
Other receivables	114.8	108.2
<b>Total</b>	<b>182.2</b>	<b>189.7</b>

The fair value of outstanding amounts is almost equal to the carrying amount. There was no indication as at the statement of financial position date that these receivables will not be recovered, other than as already provided for.

At 31 December 2009, trade receivables of EUR 26.0 million (2008: EUR 36.2 million) were past due but not impaired. Exposure to bad debts is mostly related to rendering services to international manufacturers. The value of the products stored for these clients usually exceeds the value of the receivables and Vopak generally has the right of retention. The ageing analysis of these trade receivables is as follows:

	2009			2008		
	Gross	Provision	Net	Gross	Provision	Net
Not past due	41.9	0.5	41.4	45.4	0.1	45.3
Past due up to 3 months	20.6	0.9	19.7	31.5	0.7	30.8
Past due 3 to 6 months	0.5	0.2	0.3	2.4	0.4	2.0
Past due more than 6 months	6.9	0.9	6.0	4.3	0.9	3.4
<b>Total</b>	<b>69.9</b>	<b>2.5</b>	<b>67.4</b>	<b>83.6</b>	<b>2.1</b>	<b>81.5</b>

Movements on the provision for impairment of trade receivables are as follows:

	2009	2008
<b>Balance at 1 January</b>	<b>2.1</b>	<b>0.6</b>
Impairments	1.2	1.8
Reversal of impairments	- 0.8	- 0.3
<b>Balance at 31 December</b>	<b>2.5</b>	<b>2.1</b>

The creation and release of provision for impaired trade receivables were recognized under Other operating expenses.

For Other receivables there are no amounts overdue nor impaired and there have been no defaults in the past.

## 20. Cash and cash equivalents

	2009	2008
Cash and bank	60.0	34.9
Short-term deposits	129.4	14.4
<b>Total</b>	<b>189.4</b>	<b>49.3</b>

The effective interest rate on short-term deposits was 0.4% (2008: 2.6%); these deposits have an average term of 14 days (2008: 25 days) and are subject to limited value changes. The carrying amount is deemed equivalent to the fair value at the statement of financial position date.

Reconciliation with the consolidated cash flow statement is as follows:

	2009	2008
Cash and cash equivalents	189.4	49.3
Bank overdrafts	- 16.8	- 73.9
<b>Total</b>	<b>172.6</b>	<b>- 24.6</b>

The cash and cash equivalents were at the free disposal of the Group as well as at 31 December 2009 as at 31 December 2008.

## 21. Assets held for sale

Movements in the assets held for sale were as follows:

	Asset	Liability
<b>Balance at 1 January 2009</b>	<b>-</b>	<b>-</b>
Reclassifications to assets held for sale	15.2	3.9
Disposals	- 15.2	- 3.9
<b>Balance at 31 December 2009</b>	<b>-</b>	<b>-</b>

During 2009 the tankstorage activities In Switzerland were reclassified to assets held for sale. On 17 November 2009 these activities were sold leading to a net gain of EUR 5.4 million (see note 1).

## 22. Issued capital, share premium and treasury shares

The company's authorized share capital amounts at 31 December 2009 to EUR 190,800,000, divided into 70,000,000 ordinary shares, 95,400,000 protective preference shares and 25,400,000 financing preference shares, all with a nominal value of EUR 1.00 each.

The issued share capital at 31 December 2009 consists of 63,917,715 ordinary shares and 20,700,000 financing preference shares. Of the issued ordinary shares, 180,000 are held in the treasury stock in connection with existing commitments under the long-term incentive plan.

Movements in the number of shares, the issued capital and the share premium were as follows:

	Numbers				Amounts		
	Issued ordinary shares	Financing preference shares	Total shares	Treasury shares	Issued capital	Share premium	Treasury shares
<b>Balance at 1 January 2008</b>	<b>62,450,656</b>	<b>19,451,000</b>	<b>81,901,656</b>	<b>- 60,000</b>	<b>81.9</b>	<b>165.2</b>	<b>- 0.9</b>
Repurchase own shares	-	-	-	- 85,000	-	-	- 2.8
Issued to option holders	-	-	-	25,000	-	-	0.4
<b>Balance at 31 December 2008</b>	<b>62,450,656</b>	<b>19,451,000</b>	<b>81,901,656</b>	<b>- 120,000</b>	<b>81.9</b>	<b>165.2</b>	<b>- 3.3</b>
Issuance ordinary shares	1,467,059	-	1,467,059	-	1.5	48.6	-
Dividend paid in stock	-	-	-	-	-	- 14.6	-
Issuance financing preference shares	-	5,694,000	5,694,000	-	5.7	83.5	-
Withdrawal financing preference shares	-	- 4,445,000	- 4,445,000	-	- 4.5	- 1.5	-
Repurchase own shares	-	-	-	- 95,000	-	-	- 2.9
Issued to option holders	-	-	-	35,000	-	-	0.5
<b>Balance at 31 December 2009</b>	<b>63,917,715</b>	<b>20,700,000</b>	<b>84,617,715</b>	<b>- 180,000</b>	<b>84.6</b>	<b>281.2</b>	<b>- 5.7</b>

Shareholders representing 73% of the issued ordinary shares had their dividend distributed in the form of ordinary shares. In connection with this, the number of issued ordinary shares of Koninklijke Vopak N.V. (with a nominal value of EUR 1.00 each) increased with 1,467,059 shares to 63,917,715 shares as from 15 May 2009.

A new financing preference share program took effect on 31 August 2009, under which the amount outstanding was increased by EUR 84 million to EUR 110 million. Following authorization from the Extraordinary General Meeting of Shareholders, 4,445,000 depositary receipts for existing financing preference shares were repurchased for the benefit of a single investor. On balance, the issuance of the new financing preference shares caused their number to increase by 1,249,000 to 20,700,000. From 31 August 2009, the dividend percentage on the outstanding financing preference shares (nominal value plus share premium) has been 7.45 % (previously 4.73%), which is equivalent to an annual dividend of EUR 8.2 million. The percentage will be set again every five years. The dividend for 2009 will amount to EUR 3.6 million (2008: EUR 1,2 miljoen) of which EUR 0.8 million has already been distributed in 2009.

The related transaction costs amounting to EUR 0.7 million have been netted off with the deemed proceeds.

Under the Articles of Association, a dividend can only be distributed on financing preference shares following a decision by the Executive Board, subject to the approval of the Supervisory Board, to transfer all or part of the profit to equity. If the transfer to equity results in the remaining profit being insufficient to distribute a dividend on the financing preference shares, an amount equal to the shortfall will be deducted from the amount to be transferred to equity and added to the dividend reserve for the financing preference shares. The dividend reserve will have primary dividend rights in subsequent financial years, any dividend either being added to the dividend reserve or distributed on the financing preference shares, as far as possible and at the discretion of the Executive Board, subject to the approval of the Supervisory Board.

The Articles of Association also stipulate that only the Executive Board, subject to the approval of the Supervisory Board, is authorised to make decisions to distribute dividends from the share premium and the dividend reserve for the financing preference shares.

Dividend will only be distributed on ordinary shares after the dividend on the financing preference shares has been distributed, on the understanding that no dividend will be distributed on the ordinary shares if, at the time of the intended distribution, the balance of the dividend reserve for the financing preference shares is positive.

The balance of the share premium for the outstanding 20,700,000 cumulative financing preference shares amounts to EUR 88.5 million as at 31 December 2009.

In 2009 Vopak repurchased 95,000 own shares to cover future obligations as a result of the Long Term Incentive Plan for the Executive Board and senior management. The shares will be granted if specific financial performance criteria are met (see note 28). The average purchase price is EUR 30.34 per share. Of the treasury shares 35,000 were issued because of exercising option rights.

### 23. Other reserves

Movements in other reserves were as follows:

	Exchange differences	Revaluation reserve derivatives	Revaluation reserve assets	Total other reserves
<b>Balance at 1 January 2008</b>	<b>- 3.3</b>	<b>- 0.4</b>	<b>14.6</b>	<b>10.9</b>
Exchange differences on net investments	22.8	–	–	22.8
Effective part of hedges of net investments	- 40.4	–	–	- 40.4
Tax effect on exchange differences and hedges	11.5	–	–	11.5
Use of exchange differences on net investments (to statement of income)	0.3	–	–	0.3
Tax effect on use of exchange rate differences on net investments	0.4	–	–	0.4
Movements in effective part of cash flow hedges	–	- 3.8	–	- 3.8
Tax effect on movements in cash flow hedges	–	0.8	–	0.8
Use of effective part of cash flow hedges (to statement of income)	–	2.1	–	2.1
Tax effect on use of cash flow hedges	–	- 0.5	–	- 0.5
Movements in effective part of cash flow hedges joint ventures	–	- 18.4	–	- 18.4
Depreciation on revaluation of assets	–	–	- 0.9	- 0.9
Tax effect on depreciation on revaluation of assets	–	–	0.3	0.3
Release revaluation reserve due to sale (to retained earnings)	–	–	- 8.1	- 8.1
Tax effect on release revaluation reserve due to sale (to retained earnings)	–	–	1.8	1.8
<b>Balance at 31 December 2008</b>	<b>- 8.7</b>	<b>- 20.2</b>	<b>7.7</b>	<b>- 21.2</b>
Exchange differences on net investments	4.8	–	–	4.8
Effective part of hedges of net investments	5.2	–	–	5.2
Tax effect on exchange differences and hedges	- 3.0	–	–	- 3.0
Use of exchange differences on net investments (to statement of income)	- 0.6	–	–	- 0.6
Movements in effective part of cash flow hedges	–	- 2.1	–	- 2.1
Tax effect on movements in cash flow hedges	–	0.6	–	0.6
Use of effective part of cash flow hedges (to statement of income)	–	1.6	–	1.6
Tax effect on use of cash flow hedges	–	- 0.4	–	- 0.4
Movements in effective part of cash flow hedges joint ventures	–	0.2	–	0.2
Depreciation on revaluation of assets	–	–	- 0.8	- 0.8
Tax effect on depreciation on revaluation of assets	–	–	0.3	0.3
<b>Balance at 31 December 2009</b>	<b>- 2.3</b>	<b>- 20.3</b>	<b>7.2</b>	<b>- 15.4</b>

Exchange differences include all exchange differences resulting from the translation of the financial statements of foreign entities. They also include the exchange differences on liabilities and the effective currency component of fair value changes of derivative financial instruments (net of tax), to the extent that they hedge the net investments of the Group in foreign entities and hedge accounting is applied.



The revaluation reserve derivatives contains the effective part of the accumulated change in the fair value of the cash flow hedges, net of tax, in respect of which the hedged future transaction has not yet taken place.

The schedule for use is as follows:

	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
<b>Schedule for use of revaluation reserve</b>							
<b>derivatives</b>	<b>- 5.9</b>	<b>- 5.6</b>	<b>- 3.4</b>	<b>- 2.6</b>	<b>- 1.4</b>	<b>- 1.4</b>	<b>- 20.3</b>

## 24. Retained earnings

Movements in retained earnings were as follows:

	2009	2008
<b>Balance at 1 January</b>	<b>710.4</b>	<b>550.9</b>
Dividend paid in cash	- 20.5	- 61.0
Dividend paid in stock	- 35.4	–
Measurement of equity-settled share-based payment arrangements	1.3	0.4
Release of revaluation reserve due to depreciation	0.5	0.6
Release of revaluation reserve due to deconsolidation	–	6.3
Net profit attributable to shareholders	251.2	213.2
<b>Balance at 31 December</b>	<b>907.5</b>	<b>710.4</b>

Of the retained earnings, EUR 752.8 million can be distributed freely (see page 145).

## 25. Non-controlling interests

Statement of changes in non-controlling interests:

	2009	2008
<b>Balance at 1 January</b>	<b>76.0</b>	<b>70.2</b>
Profit for financial year	25.3	16.5
Dividend	- 20.6	- 14.0
Movements in effective part of cash flow hedges	0.3	- 0.8
Acquisitions	–	0.5
Disposals	–	- 0.5
Exchange differences	- 0.4	4.1
<b>Balance at 31 December</b>	<b>80.6</b>	<b>76.0</b>

The profit for the 2009 financial year includes a negative exceptional item of EUR 0.2 million (2008: EUR 0.3 million negative).

## 26. Interest-bearing loans

During 2009 Vopak has issued new senior unsecured Notes in the Asian and US Private Placement market of respectively Singapore Dollar 210 million (approximately EUR 102 million) and USD 680 million (approximately EUR 453 million).

The Notes in the Asian Private Placement market were drawn in September 2009 and have a 'bullet maturity' of 5 years and a fixed interest rate of 5%. The new program in the US Private Placement market, drawn in December 2009, consists of various tranches with maturities ranging from 8 to 20 years in 3 different currencies of which 575 million is denominated in USD. The annual fixed interest rates for the new US PPs are between 4.75% for the 8 years Euro tranche and 6.02% for the 20 years USD tranche with a weighted average annual interest rate of 5.5%.

The US Private Placement financing programme entered into in 2001 still totalling of EUR 250.5 allows a maximum Senior Net Debt/EBITDA ratio of 3.75, with a floating interest rate increasing by 25 basis points for ratios between 3.00 and 3.25 and by 75 basis points for ratios between 3.25 and 3.50. The interest rate increases by 200 basis points for ratios from 3.50.

The senior unsecured US Private Placement totalling of USD 375 million entered into in May 2007 has tranches with terms of 8, 10, 12 and 15 years, all redeemable at the end of the term. The 8-year tranche (USD 75 million) has a floating interest rate. The other three tranches of USD 100 million each have a fixed interest rate, with an average interest rate of approximately 6%.

The EUR 1 billion Revolving Credit Facility entered into in August 2007 can be drawn in amounts in the various currencies and repaid at any time. The Facility runs until August 2012. There is also an option to increase the facility to EUR 1.2 billion. The Facility was fully available at the end of 2009.

Vopak Terminals Singapore Pte. Ltd. entered into floating rate bank loans in August 2006 and October 2008 for respectively SGD 116 million and 84 million. The tranches mature in April 2013 and September 2015 and have a weighted average annual interest rate at the end of 2009 of 1.24%

This note provides further information on the contractual provisions of the interest-bearing loans. For further details on possible currency and interest rate risks, please see note 31.

A break-down is set out below:

	Note	2009	2008
<b>Non-current interest-bearing loans</b>			
US Private Placements	26.1	958.7	519.7
Asian Private Placements	26.2	103.5	–
Bank loans and other private placements	26.3	99.5	99.9
Credit facilities	26.4	–	301.5
Other long-term loans		3.5	1.0
<b>Total</b>		<b>1,165.2</b>	<b>922.1</b>
<b>Current interest-bearing loans</b>			
US Private Placements	26.1	24.7	29.6
Bank loans and other private placements	26.3	–	20.4
Other long-term loans		0.4	–
<b>Total</b>		<b>25.1</b>	<b>50.0</b>
<b>Total interest-bearing loans</b>		<b>1,190.3</b>	<b>972.1</b>

Movements in interest-bearing loans were as follows:

	2009	2008
<b>Balance at 1 January</b>	<b>972.1</b>	<b>672.2</b>
US Private Placements drawn	452.7	–
Asian Private Placements drawn	101.7	–
Credit facilities drawn	173.3	461.9
Bank loans and other private placements drawn	–	41.9
Repayments US Private Placements	- 27.7	- 44.3
Repayments credit facilities	- 485.7	- 149.4
Repayments bank loans and other private placements	- 20.4	- 1.1
Effective part of fair value changes interest rate swaps (fixed to floating)	- 0.8	1.7
Effects of effective interest method	1.1	- 0.2
Acquisitions	2.9	1.1
Deconsolidations	–	- 13.7
Exchange differences	21.1	2.0
<b>Balance at 31 December</b>	<b>1,190.3</b>	<b>972.1</b>

The repayment obligations for the non-current liabilities are as follows:

2011	179.5
2012	14.9
2013	83.1
2014	106.4
After 2014	781.3
<b>Total non-current liabilities at 31 December 2009</b>	<b>1,165.2</b>

Breakdown of loans by currency:

	Local currency		Euro	
	2009	2008	2009	2008
Euro (EUR)	55.9	127.2	55.9	127.2
US Dollar (USD)	1,242.1	877.0	863.7	627.4
Pound sterling (GBP)	60.0	35.0	67.7	36.6
Singapore Dollar (SGD)	410.0	200.0	203.0	99.9
Australian Dollar (AUD)	–	160.0	–	81.0
<b>Total</b>			<b>1,190.3</b>	<b>972.1</b>

## 26.1 US Private Placements

The total US private placements (US PP) amounts to EUR 983.4 million, with an average remaining term of 8.8 years. The maximum remaining nominal term is 20 years and in most cases repayment is effected as at the end of the term, with a repayment peak of EUR 179.5 million in 2011. A regular repayment of EUR 24.7 million will be effected in 2010.

The following main conditions apply to the US PP programs:

- The Senior Net Debt to EBITDA ratio may not exceed 3.75. Furthermore, the Net Debt (including subordinated loans) to EBITDA ratio for the US PP program entered into in 2007 may not exceed 4.25.
- The ratio between the EBITDA and the net finance costs (Interest Cover Ratio or 'ICR') may not drop below 4.0 for the 2001 program and not below 3.5 for the 2007 and 2009 US PP programs.
- As from 1 January 2009, shareholders' equity may not be less than the higher of:
  - (i) EUR 611.0 million or
  - (ii) EUR 611.0 million, increased after 1 January 2009 by 40% of the profit on ordinary activities after tax less non-controlling interests in the consolidated net profit to arrive at a required minimum of EUR 710.0 million.
- A number of sub-holding companies have provided guarantees regarding compliance with the obligations under the terms of this financing.

## 26.2 Asian Private Placements

The following main conditions apply to the Asian private placements (Asian PP) of SGD 210 million:

- The Net Debt/EBITDA ratio may not exceed 3.75.
- The ICR may not be lower than 3.5.
- A number of sub-holding companies have provided guarantees regarding compliance with the obligations under the terms of this financing.

### 26.3 Bank loans and other private placements

The bank loan of SGD 200 million drawn by Vopak Terminals Singapore Pte. Ltd. (VTS) was granted on the basis of VTS's credit standing and is subject to the following financial ratios:

- The Debt/Equity ratio may not exceed 1.5 : 1.
- The ratio between EBITDA and the net finance costs should be at least 4 : 1.
- Shareholders' equity must be at least SGD 150.0 million.

### 26.4 Credit facilities

The EUR 1 billion credit facility was fully available at year-end 2009. At year-end 2008 EUR 301.5 million was drawn in various currencies. The ratios applicable to these bank loans are the same as those for the Asian Private Placement (see 26.2)

### 26.5 Financial ratios

At 31 December 2009, Royal Vopak comfortably met the applicable financial ratios referred to in paragraphs 26.1, 26.2, and 26.4. Based on the consolidated figures, the ratios as at 31 December 2009 were as follows:

- At 31 December 2009, the Net Debt/EBITDA ratio was 2.23 (31 December 2008: 2.54).  
For a breakdown of the calculation of the Net Debt, please see page 39 of this report.
- The ICR at 31 December 2009 was 10.4 (31 December 2008: 10.9).
- The minimum required shareholders' equity at year-end 2009, in accordance with the calculation method outlined in paragraph 26.1, is EUR 710 million (year-end 2008: EUR 611.4 million). At 31 December 2009, the shareholders' equity for ratio calculation was EUR 1,258.1 million (31 December 2008: EUR 938.9 million).

Vopak Terminals Singapore Pte. Ltd. also met the financial ratios referred to in paragraph 26.3 at 31 December 2009 and 31 December 2008.

## 27. Pensions and other employee benefits

Movements in the provision for pensions and other employee benefits were as follows:

	Note	2009	2008
<b>Balance at 1 January</b>		<b>- 31.4</b>	<b>- 15.5</b>
Movements:			
– Net periodic pension charges		26.7	14.1
– Interest accrual employer's contribution provision for years of past service		0.8	0.9
– Employer's contribution		- 49.5	- 29.7
– Reclassifications to assets held for sale	21	1.4	–
– Exchange differences		- 0.1	- 0.6
– Other		0.6	- 0.6
<b>Balance at 31 December</b>		<b>- 51.5</b>	<b>- 31.4</b>
Non-current assets		- 98.0	- 81.9
Current liabilities		2.9	2.6
Non-current liabilities		43.6	47.9
<b>Balance at 31 December</b>		<b>- 51.5</b>	<b>- 31.4</b>

The following tables summarize the effects on the statement of financial position, the statement of income and assumptions underlying the actuarial calculations relating to the principal average or final pay plans and the other benefit plans.

The majority of employees are covered by defined benefit plans, defined contribution plans or mandatory external pension plans. The defined benefit plans are plans in the Netherlands, the United States, the United Kingdom, Germany, and Belgium. In the Netherlands, most plans are average pay pension plans, while the other countries mostly operate final pay pension plans. The measurement of obligations under defined benefit plans takes future salary increases into account and uses a discount rate equal to the interest rate on high-quality corporate bonds for calculating their net present value. The effect of the difference between projected and actual salary increases and that of the difference between projected and actual returns on plan assets are both part of the actuarial results. The actuarial result does not entail a funding obligation. It arises from a calculation method to allocate the plan liabilities to individual years.

To the extent that unrecognized net actuarial results exceed the margin of 10% of the greater of plan assets and defined benefit obligations, they are allocated to the results over a period of about 13 years, equal to the average future term of service.

Where applicable the asset ceiling test was performed in accordance with IAS 19.58 and IFRIC 14.

Out of the defined contribution plans, one plan relates to multi-employer plans that takes the form of a defined benefit plan. The contribution to these multi-employer plan is treated as defined contribution because no information has been provided to enable to account for it as defined benefit plan.

Due to legislative changes in the Netherlands, the early retirement schemes for employees born on or after 1 January 1950 were curtailed as per 1 January 2006. These employees were offered defined contribution plans and a contribution to the life-course scheme instead. A provision was formed in 2006 for future contributions that correspond to the years of past service.

The employer contribution to these defined contribution plans amounted to EUR 5.1 million in 2009 (2008: EUR 4.9 million), EUR 2.6 million (2008: EUR 2.7 million) of which is compensated for by the release from the provision for defined contribution plans for years of past service.



	Note	The Netherlands		Foreign		Total	
		2009	2008	2009	2008	2009	2008
<b>Movements in pension obligations</b>							
<b>Obligations at 1 January</b>		<b>586.3</b>	<b>585.3</b>	<b>124.7</b>	<b>130.7</b>	<b>711.0</b>	<b>716.0</b>
Movements:							
– Disposals/curtailments		–	–	- 0.9	- 0.2	- 0.9	- 0.2
– Costs of rights accrued in the financial year		7.6	7.2	3.0	3.3	10.6	10.5
– Interest expenses		31.3	31.2	7.0	7.2	38.3	38.4
– Actuarial gains (-) and losses		14.0	- 3.8	7.7	- 1.0	21.7	- 4.8
– Benefits paid from the pension fund		- 34.9	- 33.6	- 6.0	- 4.3	- 40.9	- 37.9
– Benefits paid directly by the employer		–	–	- 1.6	- 1.8	- 1.6	- 1.8
– Reclassifications to assets held for sale	21	–	–	- 12.1	–	- 12.1	–
– Exchange differences		–	–	1.7	- 9.2	1.7	- 9.2
<b>Obligations at 31 December</b>		<b>604.3</b>	<b>586.3</b>	<b>123.5</b>	<b>124.7</b>	<b>727.8</b>	<b>711.0</b>
<b>Movements in plan assets</b>							
<b>Fair value of plan assets at 1 January</b>		<b>547.4</b>	<b>656.9</b>	<b>76.7</b>	<b>108.0</b>	<b>624.1</b>	<b>764.9</b>
Movements:							
– Disposals/curtailments		–	–	- 0.2	- 0.1	- 0.2	- 0.1
– Expected return on assets		30.0	37.1	5.3	7.0	35.3	44.1
– Actuarial gains and losses (-)		21.9	- 125.0	7.0	- 29.6	28.9	- 154.6
– Employer's contributions		31.4	12.0	7.8	6.2	39.2	18.2
– Employees' contributions		0.5	0.3	0.4	0.4	0.9	0.7
– Benefits paid		- 35.4	- 33.9	- 8.0	- 6.5	- 43.4	- 40.4
– Reclassifications to assets held for sale	21	–	–	- 13.4	–	- 13.4	–
– Exchange differences		–	–	1.9	- 8.7	1.9	- 8.7
<b>Fair value of plan assets at 31 December</b>		<b>595.8</b>	<b>547.4</b>	<b>77.5</b>	<b>76.7</b>	<b>673.3</b>	<b>624.1</b>
<b>Obligations less fair value of plan assets at 31 December</b>		<b>8.5</b>	<b>38.9</b>	<b>46.0</b>	<b>48.0</b>	<b>54.5</b>	<b>86.9</b>
Net actuarial gains and losses (-) not yet recognized		- 99.7	- 111.5	- 22.5	- 24.1	- 122.2	- 135.6
<b>Net pension assets (-) and obligations under defined benefit plans</b>							
<b>recognized at 31 December</b>		<b>- 91.2</b>	<b>- 72.6</b>	<b>23.5</b>	<b>23.9</b>	<b>- 67.7</b>	<b>- 48.7</b>
Net pension obligations under defined contribution plans		15.2	16.9	1.0	0.4	16.2	17.3
<b>Net pension obligations recognized at 31 December</b>		<b>- 76.0</b>	<b>- 55.7</b>	<b>24.5</b>	<b>24.3</b>	<b>- 51.5</b>	<b>- 31.4</b>
<b>Assumptions based on weighted average at 31 December</b>							
Discount rate		5.25%	5.50%	5.63%	5.63%	5.31%	5.52%
Expected return on plan assets		6.25%	5.50%	7.21%	6.82%	6.40%	5.71%
Expected general salary increase		3.00%	3.00%	3.77%	3.58%	3.13%	3.10%
Expected price index increase		2.00%	2.00%	2.77%	2.59%	2.13%	2.10%
<b>Components of net periodic pension charges</b>							
Current service costs		7.6	7.2	3.0	3.3	10.6	10.5
Interest expense		31.3	31.2	7.0	7.2	38.3	38.4
Expected return on plan assets		- 30.1	- 37.1	- 5.2	- 7.0	- 35.3	- 44.1
Amortization of actuarial gains and losses		4.0	- 0.1	1.4	0.1	5.4	–
Effect of the limit of an asset		–	–	–	0.5	–	0.5
<b>Pension charges defined benefit plans</b>	3	<b>12.8</b>	<b>1.2</b>	<b>6.2</b>	<b>4.1</b>	<b>19.0</b>	<b>5.3</b>
Employer's contribution to defined contribution plans		7.1	7.9	3.2	3.6	10.3	11.5
Release of provision for employer's contribution corresponding to years of past service		- 2.6	- 2.7	–	–	- 2.6	- 2.7
<b>Pension charges defined contribution plans</b>	3	<b>4.5</b>	<b>5.2</b>	<b>3.2</b>	<b>3.6</b>	<b>7.7</b>	<b>8.8</b>
<b>Net periodic pension charges</b>		<b>17.3</b>	<b>6.4</b>	<b>9.4</b>	<b>7.7</b>	<b>26.7</b>	<b>14.1</b>

In addition to the assumptions reflected in the table, the calculations were also based on recent mortality tables, taking the developments in mortality rates into account through projections or surpluses. These led to the following life expectancy in years:

	The Netherlands		Foreign	
	2009	2008	2009	2008
<b>Age 45</b>				
Men	38.5	38.5	39.8	38.9
Women	40.7	40.7	42.8	41.9
<b>Age 65</b>				
Men	18.7	18.6	20.5	20.0
Women	21.7	21.6	23.3	22.9

Local historical data was used for the purposes of dismissal and disability calculations.

#### Composition plan assets

Plan assets are comprised as follows:

	The Netherlands				Foreign			
	2009		2008		2009		2008	
Bonds	405.1	68%	377.7	69%	30.9	40%	32.5	42%
Equity instruments	178.7	30%	153.3	28%	46.1	59%	40.3	53%
Real-estate	12.0	2%	16.4	3%	0.5	1%	3.9	5%
<b>Total</b>	<b>595.8</b>	<b>100%</b>	<b>547.4</b>	<b>100%</b>	<b>77.5</b>	<b>100%</b>	<b>76.7</b>	<b>100%</b>

Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

The German pension plans are not funded; the defined benefit obligations for these plans total EUR 15.1 million (2008: EUR 14.8 million). The pension funds have not invested directly in shares in Koninklijke Vopak N.V., parts of the Group or in real-estate of the Group.

#### Expected contribution and impact on result

In 2009, the total contribution amounted to EUR 26.7 million, of which EUR 19.0 million related to defined benefit plans. For 2010, the contribution related to defined benefit plans will decrease to EUR 9.8 million mainly as a result of expected increase on the return on the plan assets (increase from EUR 35.3 million in 2009 to EUR 42.6 million in 2010) and decrease of the amortization of actuarial gains and losses (decrease from EUR 5.4 million in 2009 to EUR 3.3 million in 2010).

#### Historical figures

The amounts in respect of defined benefit plans are as follows at 31 December of the current year under review and previous years under review:

	2009	2008	2007	2006	2005
Obligations	727.8	711.0	716.0	817.7	848.4
Fair value of plan assets	673.3	624.1	764.9	761.6	694.9
<b>Obligations minus fair value at 31 December</b>	<b>54.5</b>	<b>86.9</b>	<b>- 48.9</b>	<b>56.1</b>	<b>153.5</b>
<b>Actuarial gains (-) and losses pension obligations</b>	<b>21.7</b>	<b>- 4.8</b>	<b>- 102.8</b>	<b>- 15.8</b>	<b>48.3</b>
<b>Actuarial gains and losses (-) plan assets</b>	<b>28.9</b>	<b>- 154.6</b>	<b>- 20.2</b>	<b>- 7.5</b>	<b>39.2</b>

#### Sensitivity analysis

The table below shows the estimated impact on the net period pension charges for each main assumption, allowing for a difference of one per cent (negative amounts mean a reduction in expenses).

	Increase 1%		Decrease 1%	
	2009	2008	2009	2008
Discount rate	- 3.8	- 4.9	6.8	6.7
Expected return on plan assets	- 5.9	- 5.5	5.9	5.5
Expected price index increase	11.2	10.4	- 8.0	- 8.6

Given the IFRS methodology, any differences only become apparent in the net periodic pension charges for 2011 via amortization of net actuarial gains and losses not yet recognized. Differences compared with the assumption do not affect the net pension charges for 2010.

## 28. Long-term Incentive Plans (LTIPs)

The Long-term Incentive Plan for the members of the Executive Board and a number of key managers was introduced in 2008. This Long-term Incentive Plan consists of a Performance Share Plan and the Share Ownership Plan (the Matching Share Plan). These plans are recognized as equity-settled share-based payment transactions.

For employees who are not eligible to participate under the Long-term Incentive Plan but who contribute significantly to the company's shareholder value a three years Cash Plan 2008-2010 was introduced in 2008.

Unvested awards are forfeited if a participant resigns or their employment is terminated for cause. If the employment is terminated as a result of death, retirement or disability, the awards remain outstanding on a pro-rata basis subject to attainment of the predetermined performance conditions.

The charge to the statement of income of the conditional awards is set out below:

In EUR thousands	J.P.H. Broeders	F.D. de Koning	J.P. de Kreij	Others	Total 2009	Total 2008
Performance shares granted in the year	82.8	59.6	63.3	246.0	451.7	306.3
Performance shares in prior year	80.1	56.7	62.1	234.0	432.9	–
Matching shares granted in the year	54.9	39.2	45.4	74.3	213.8	55.8
Matching shares granted in prior years	56.7	45.7	50.1	37.9	190.4	39.0
Cash plan	–	–	–	1,215.7	1,215.7	1,148.4
<b>Total</b>	<b>274.5</b>	<b>201.2</b>	<b>220.9</b>	<b>1,807.9</b>	<b>2,504.5</b>	<b>1,549.5</b>

### Performance Share Plan

Under the Performance Share Plan conditional ordinary shares in the company are awarded, which vest after three years following the start of the performance period to the extent that the associated service and performance conditions are met which conditions are treated as non-marketing vesting conditions. The participants are not permitted to dispose of their vested shares released until they have met their minimum shareholding target (see next page), except for meeting their tax liability with respect of the vesting of the conditional shares released.

The plan rules allow for vesting up to a maximum of 150% of the number of shares awarded at the beginning of the performance period. Awards have been made with an underlying value of 50% of the fixed 2009 annual salary for the Chairman (2008: 45%) and at 45% of the fixed 2009 annual salary for the other members of the Executive Board (2008: 40%). For the awards made to other senior executives, award percentages of respectively 30% or 20% of the fixed annual salary have been applied.

The performance conditions attached to performance share awards are based on the financial performance of the company during the performance period of three years. The financial performance during those three calendar years is measured by the average ROCE and EBITDA growth for the awards made in 2008 (Plan 2008) and by average EPS growth for the awards made in 2009 (Plan 2009). The financial objectives for these vesting conditions and the related award percentages are set by the Supervisory Board prior to the date the awards have been made and have been approved by the Annual General Meeting.

The movement in the number of awarded performance shares is set out below.

	J.P.H. Broeders	F.D. de Koning	J.P. de Kreij	Others	Total
<b>Outstanding at 1 January 2009</b>	<b>5,536</b>	<b>4,020</b>	<b>4,330</b>	<b>19,468</b>	<b>33,354</b>
Conditional awarded	9,623	6,928	7,361	28,589	52,501
Forfeited	–	–	–	- 2,723	- 2,723
<b>Outstanding at 31 December 2009</b>	<b>15,159</b>	<b>10,948</b>	<b>11,691</b>	<b>45,334</b>	<b>83,132</b>

## Share Ownership Plan

To align the interest of the members of the Executive Board and a number of senior executives with those of shareholders they are also required to build up and keep a portfolio of Vopak shares which is equal to 100% of their fixed annual salary and for senior executives this portfolio of Vopak shares is equal to 50% or 25% of their fixed annual salary. The shareholding target is defined as a minimum number of shares that is calculated based on the average share prices of the fourth quarter of prior year.

As from 2007, the participants of the Share Ownership Plan can purchase Vopak shares which are placed in a portfolio. If the portfolio reaches the intended level, the performance shares released after the three year vesting period become available to the participants. If the intended level is not reached, the performance shares released after the three year period, will be placed in a portfolio and blocked for a period of five years. The shares in the portfolio are released after this five-year blocking period, notwithstanding participants' obligation to maintain the shares in a portfolio at the target level.

The shareholding target can be build up during three to six years subject to annual minimum and maximum purchase requirements. The shareholding target for the members of the Executive Board and the other senior executives at 31 December 2009 are detailed in the table below. All participants have met their minimum shareholding requirements.

	Minimum number of shares	Maximum number of shares	Restricted shares held on	
			31 December	1 September
Members Executive Board (see note 32)	17,000	51,001	51,001	50,197
Other senior executives	11,112	24,767	21,830	21,718
<b>Total</b>	<b>28,112</b>	<b>75,768</b>	<b>72,831</b>	<b>71,915</b>

As consideration for investing and keeping the shares in portfolio, the company will annually award performance-related matching shares. Only the shares held prior to 1 September will be eligible for matching. The performance condition attached to the matching shares is linked to the EPS growth development at the end of the five year period as set by the Supervisory Board prior to the date the awards are made and have been approved by the Annual General Meeting. This performance condition is treated as a non-market vesting condition.

Depending the performance during the vesting period the number of matching shares can vest from 0% to 200% of the number of shares in the portfolio. The movement in the number of conditional awarded matching shares is set out below.

	J.P.H. Broeders	F.D. de Koning	J.P. de Kreij	Others	Total
<b>Outstanding at 1 January 2009</b>	<b>8,202</b>	<b>6,699</b>	<b>7,217</b>	<b>6,756</b>	<b>28,874</b>
Conditional awarded	11,044	7,893	9,142	14,962	43,041
Forfeited	–	–	–	–	–
<b>Outstanding at 31 December 2009</b>	<b>19,246</b>	<b>14,592</b>	<b>16,359</b>	<b>21,718</b>	<b>71,915</b>

## Estimated value equity-settled share-based payments

The calculations of the estimated fair value of the performance shares and the matching shares at the applicable grant dates, being the dates on which the terms and conditions of the Long-term Share Plans are accepted by the participants, are made by an independent qualified appraiser.

The total charge to be recognized for the 2009 awards made, can only be estimated, because the actual vesting percentages of the performance and matching shares will not be known until the end of the respective vesting periods. The fair value of the performance shares and the matching shares is based on the share price at the date of grant which has been reduced with the expected discounted future dividends payable during the respective vesting period since the holders of the performance shares and the matching shares are not entitled to receive dividends during the vesting period. Expected dividends have been applied in accordance with the dividend policy of the company.

The estimated vesting percentages are based on scenario analysis. For the performance shares the estimated vesting percentages amount to respectively 112% and 80% for the 2008 Plan and 2009 Plan. For the matching shares the estimated vesting percentages amount to respectively 102%, 81% and 83% for the Plan 2007, Plan 2008 and Plan 2009. No forfeitures of awards made to key executives are currently assumed. The fair value of the employee services received in exchange for the award of performance shares and matching shares is recognized ratably over the vesting period of three years for the performance shares and of five years for the matching shares.

The estimated vesting percentages of the non-market vesting conditions of the equity-settled share-based payment arrangements are revised at the end of each reporting period and the vesting date and the difference is charged or credited to profit or loss, with a corresponding adjustment to equity.

The amounts recognized during 2009 were EUR 0.9 million (2008: EUR 0.3 million) for the performance share plan and EUR 0.4 million (2008: EUR 0.1 million) for the matching shares as specified in the tables below.

#### Performance shares

Participants	Grant date	Average share price at grant date	Fair value shares at grant date	Conditional awarded shares <sup>1)</sup>	Expected shares	Fair value at grant date	Allocated cost to 2009	Allocated cost to 2008
J.P.H. Broeders	18-02-2008	34.16	31.23	5,536	6,201	193,657	80,115	48,989
	12-06-2009	35.81	32.27	9,623	7,698	248,414	82,805	–
F.D. de Koning	12-02-2008	33.32	30.39	4,020	4,502	136,816	56,596	34,614
	12-06-2009	35.81	32.27	6,928	5,542	178,840	59,613	–
J.P. de Kreij	15-02-2008	33.86	30.93	4,330	4,850	150,011	62,056	37,951
	12-06-2009	35.81	32.27	7,361	5,889	190,038	63,346	–
Other senior executives	7-03-2008/							
	1-07-2008	36.43	33.50	16,745	18,753	628,225	234,065	184,787
	12-06-2009	35.81	32.27	28,589	22,871	738,047	246,016	–
<b>Total</b>				<b>83,132</b>	<b>76,306</b>	<b>2,464,048</b>	<b>884,612</b>	<b>306,341</b>

<sup>1)</sup> On a 100% basis

#### Matching shares

Participants	Grant date	Average share price at grant date	Fair value shares at grant date	Conditional awarded shares <sup>1)</sup>	Expected shares	Fair value at grant date	Allocated cost to 2009	Allocated cost to 2008
J.P.H. Broeders	18-02-2008	34.16	29.25	8,202	7,414	216,859	56,742	28,277
	12-06-2009	35.81	29.93	11,044	9,167	274,368	54,874	–
F.D. de Koning	12-02-2008	33.32	28.41	6,699	6,085	172,874	45,675	22,536
	12-06-2009	35.81	29.93	7,893	6,551	196,071	39,214	–
J.P. de Kreij	15-02-2008	33.86	28.95	7,217	6,556	189,797	50,144	24,740
	12-06-2009	35.81	29.93	9,142	7,588	227,109	45,422	–
Other senior executives	7-03-2008/							
	1-07-2008	36.43	31.52	6,756	5,473	172,509	37,844	19,233
	12-06-2009	35.81	29.93	14,962	12,418	371,671	74,334	–
<b>Total</b>				<b>71,915</b>	<b>61,252</b>	<b>1,821,258</b>	<b>404,249</b>	<b>94,786</b>

<sup>1)</sup> On a 100% basis

#### Cash Plan

The Cash Plan 2008-2010 provides for additional pay in the form of deferred compensation under the terms and conditions of the plan after a three years vesting period. The cash plan is granted to a group of senior managers individually selected by the Executive Board. The financial performance is measured by the EPS growth criterion for the three years period, which can rise from 0% to a maximum of 67.5% or 45% of the average salary over the vesting period. The total costs recognized during 2009 was EUR 1.2 million (2008: EUR 1.1 million).



## 29. Other provisions

Movements in other provisions were as follows:

	Environmental liabilities	Reorgani- zation	Other	Total
Non-current liabilities	5.8	–	14.9	20.7
Current liabilities	4.6	0.2	10.8	15.6
<b>Balance at 1 January 2009</b>	<b>10.4</b>	<b>0.2</b>	<b>25.7</b>	<b>36.3</b>
Movements:				
– Additions	2.7	0.3	10.1	13.1
– Withdrawals	- 1.8	- 0.3	- 1.9	- 4.0
– Releases	- 0.6	–	- 1.7	- 2.3
– Interest accrual	0.2	–	0.1	0.3
– Exchange differences	–	–	0.7	0.7
<b>Balance at 31 December 2009</b>	<b>10.9</b>	<b>0.2</b>	<b>33.0</b>	<b>44.1</b>
Non-current liabilities	5.8	0.1	16.1	22.0
Current liabilities	5.1	0.1	16.9	22.1
<b>Balance at 31 December 2009</b>	<b>10.9</b>	<b>0.2</b>	<b>33.0</b>	<b>44.1</b>
<b>Expected withdrawals</b>				
< 1 year	5.1	0.1	16.9	22.1
1 - 2 years	1.8	–	11.8	13.6
2 - 3 years	1.9	0.1	1.1	3.1
3 - 4 years	1.2	–	–	1.2
4 - 5 years	0.3	–	0.2	0.5
> 5 years	0.6	–	3.0	3.6
<b>Total</b>	<b>10.9</b>	<b>0.2</b>	<b>33.0</b>	<b>44.1</b>

Vopak is obliged to clean up the soil at different locations. An accurate estimate of the provision for this environmental risk can only be reliable made after conducting a thorough survey and drawing up a management plan for the site, on the basis of which the governmental authorities issues an order. In 2009, this has led to an increase in the provision for environmental risks of EUR 2.7 million. This increase was recognized in the statement of income under Other operating expenses.

The reorganization provisions consist mainly of provisions for reorganizations and post-employment benefits, other than pensions and non-activity benefits.

Other provisions include an amount of EUR 2.4 million for the Cash Plan (see note 28) and EUR 14.7 million relating to claims and damages incurred but not yet reported relating to the insurance activities. In 2009 on balance EUR 3.9 million was added for expected claims.

## 30. Trade and other payables

	Note	2009	2008
Trade payables		38.6	47.9
Wage tax and social security charges		5.6	5.0
Prepaid grants	12	45.1	55.9
Other creditors, accruals and deferred income		191.5	212.2
<b>Total</b>		<b>280.8</b>	<b>321.0</b>

### 31. Derivative financial instruments

#### General

The principal derivative financial instruments used by the Group are forward exchange contracts, interest rate swaps and cross currency interest rate swaps.

The market value of the derivative financial instruments as at 31 December 2008 and 31 December 2009 is shown below in order of maturity date:

#### Market value of the derivative financial instruments at 31-12-2008

	Years						Total	Assets	Liabilities
	< 1	1-2	2-3	3-4	4-5	> 5			
Currency risks									
Forward exchange contracts:									
– Hedge accounting	19.2	–	–	–	–	–	19.2	20.5	1.3
– No hedge accounting	7.4	–	–	–	–	–	7.4	8.8	1.4
Cross currency interest rate swaps:									
– No hedge accounting	–	- 4.0	- 14.7	–	–	–	- 18.7	–	18.7
Interest rate risks									
Interest rate swaps:									
– Cash flow hedge	–	–	–	- 1.7	- 2.0	–	- 3.7	–	3.7
– Fair value hedge	0.5	0.9	–	–	–	–	1.4	1.4	–
– No hedge accounting	–	–	–	–	–	–	–	1.0	1.0
Cross currency interest rate swaps:									
– Hedge accounting	–	1.7	- 1.4	–	–	–	0.3	1.7	1.4
Total	27.1	- 1.4	- 16.1	- 1.7	- 2.0	–	5.9	33.4	27.5
Current	27.1	–	–	–	–	–	27.1	30.8	3.7
Non-current	–	- 1.4	- 16.1	- 1.7	- 2.0	–	- 21.2	2.6	23.8
Total	27.1	- 1.4	- 16.1	- 1.7	- 2.0	–	5.9	33.4	27.5

#### Market value of the derivative financial instruments at 31-12-2009

	Years						Total	Assets	Liabilities
	< 1	1-2	2-3	3-4	4-5	> 5			
Currency risks									
Forward exchange contracts:									
– Hedge accounting	- 6.6	–	–	–	–	–	- 6.6	0.4	7.0
– No hedge accounting	- 4.0	–	–	–	–	–	- 4.0	1.3	5.3
Cross currency interest rate swaps:									
– No hedge accounting	- 5.8	- 6.9	–	–	–	–	- 12.7	8.6	21.3
Interest rate risks									
Interest rate swaps:									
– Cash flow hedge	–	–	- 1.4	–	–	- 1.2	- 2.6	–	2.6
– Fair value hedge	0.7	–	–	–	–	–	0.7	0.7	–
Cross currency interest rate swaps:									
– Hedge accounting	0.1	- 1.0	–	–	–	–	- 0.9	0.8	1.7
Total	- 15.6	- 7.9	- 1.4	–	–	- 1.2	- 26.1	11.8	37.9
Current	- 15.6	–	–	–	–	–	- 15.6	2.5	18.1
Non-current	–	- 7.9	- 1.4	–	–	- 1.2	- 10.5	9.3	19.8
Total	- 15.6	- 7.9	- 1.4	–	–	- 1.2	- 26.1	11.8	37.9

### Currency risks

When applying hedge accounting, the effective part of the movement in fair value of the forward exchange contracts is recognized in the exchange differences reserve (equity component) from 1 January 2005, to the extent that they relate to the hedging of net investments in foreign activities. Reversal through the statement of income takes place proportionately if all or part of the underlying position is sold. Both the ineffective part and the interest component are recognized directly in the statement of income. All currency hedges for 2008 and 2009 were effective.

As part of the currency risk policy, the Group has converted fixed-interest USD loans (US PPs) totalling USD 483 million into fixed-interest loans for the amount of EUR 350 million by means of cross currency interest rate swaps (CCIRS). The terms of the CCIRS are as follows: USD 110 million until 19 June 2010, USD 198 million until 20 June 2011 and USD 175 million until 19 December 2011. Next to the USD CCIRS, the Group has converted fixed-interest GBP loans totalling GBP 20.3 million into fixed-interest EUR loans for the amount of EUR 22.7 million. The term of this CCIRS is until 20 June 2011.

The fair value changes relating to the currency part of the principal of the CCIRS are recognized directly in the statement of income to compensate for the exchange differences on the hedged USD loans. The fair value changes relating to the fixed interest flows are recognized in equity under the revaluation reserve derivatives by means of hedge accounting (cash flow hedges). A loss of EUR 20.3 million, net of tax had been recognized in equity up to 31 December 2009 (see note 23).

### Interest rate risks

By means of an interest rate swap, the Group converted fixed interest loans (US PPs) totalling USD 31 million to floating interest loans. The maturity of the swap is 20 December 2010. This interest rate swap was designated as being a fair value hedge. The part of the value adjustment of the instrument regarded as effective is in principle also recognized in the underlying loan. Total movements as at 31 December 2009 resulted in a gain of EUR 0.7 million on the interest rate swaps, and a loss of EUR 0.6 million on the loans. On balance, the ineffective part of the fair value change results in a gain of EUR 0.1 million.

Vopak Terminal Singapore Pte. Ltd. converted various floating interest loans totalling SGD 147 million into fixed interest loans by means of different interest rate swaps. The terms of these interest rate swaps are until 13 May 2012 and 17 August 2015 and are classified as cash flow hedges.

### Effective interest rate and interest rate reset period

The following statements will provide insight into the effective interest rate as at 31 December 2008 and 31 December 2009 of interest-bearing assets and liabilities and the periods in which the interest rate is reviewed.

Effective interest rates and interest rate reset period at 31-12-2008

	Note	Effective interest	Years						
			Total	< 1	1-2	2-3	3-4	4-5	> 5
<b>Cash and cash equivalents and</b>									
<b>bank overdrafts</b>	20	3.0%	- 24.6	- 24.6	-	-	-	-	-
Loans granted:									
– EUR floating interest		6.9%	3.3	3.3	-	-	-	-	-
– USD floating interest		5.2%	17.6	17.6	-	-	-	-	-
– USD fixed interest		10.0%	46.0	46.0					
<b>Total loans granted</b>	15		<b>66.9</b>	<b>66.9</b>	-	-	-	-	-
Loans drawn:									
– EUR fixed interest		6.3%	- 28.4	- 20.4	-	-	-	- 8.0	-
– EUR floating interest		4.7%	- 98.8	- 98.8	-	-	-	-	-
– AUD floating interest		5.1%	- 81.0	- 81.0	-	-	-	-	-
– GBP fixed interest		7.9%	- 36.6	-	-	- 36.6	-	-	-
– SGD floating interest		1.8%	- 26.5	- 26.5	-	-	-	-	-
– SGD floating interest with interest rate swaps		1.8%	- 73.4	-	-	-	- 39.9	-	- 33.5
– USD fixed interest		5.7%	- 289.0	- 3.1	- 2.0	- 107.6	- 16.4	- 17.8	- 142.1
– USD fixed interest with interest rate swaps		5.7%	- 163.1	- 26.5	- 22.2	- 35.8	-	-	- 78.6
– USD floating interest		4.0%	- 175.3	- 175.3	-	-	-	-	-
<b>Total loans drawn</b>	26		<b>- 972.1</b>	<b>- 431.6</b>	<b>- 24.2</b>	<b>- 180.0</b>	<b>- 56.3</b>	<b>- 25.8</b>	<b>- 254.2</b>
Derivative financial instruments									
(currency component fair value):									
– Effect of interest rate swaps USD from fixed to floating interest:									
USD fixed interest		7.8%	48.6	26.5	22.1	-	-	-	-
USD floating interest		5.5%	- 48.6	- 26.5	- 22.1	-	-	-	-
– Effect of interest rate swaps from USD fixed to EUR fixed (CCIRS):									
EUR fixed interest		7.0%	- 133.1	-	- 82.7	- 50.4	-	-	-
USD fixed interest		7.2%	114.4	-	78.7	35.7	-	-	-
– Effect of interest rate swaps SGD from floating to fixed interest:									
SGD floating interest		1.5%	73.4	-	-	-	39.9	-	33.5
SGD fixed interest		3.2%	- 73.4	-	-	-	- 39.9	-	- 33.5
<b>Total derivative financial instruments</b>			<b>- 18.7</b>	<b>-</b>	<b>- 4.0</b>	<b>- 14.7</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>			<b>- 948.5</b>	<b>- 389.3</b>	<b>- 28.2</b>	<b>- 194.7</b>	<b>- 56.3</b>	<b>- 25.8</b>	<b>- 254.2</b>

Effective interest rates and interest rate reset period at 31-12-2009

	Note	Effective interest	Total	Years					
				< 1	1-2	2-3	3-4	4-5	> 5
<b>Cash and cash equivalents and</b>									
<b>bank overdrafts</b>	20	0.3%	172.6	172.6	–	–	–	–	–
Loans granted:									
– USD fixed interest		10.0%	9.4	9.4	–	–	–	–	–
– CHF fixed interest		5.0%	1.6	1.6	–	–	–	–	–
– USD floating interest		1.2%	1.0	1.0	–	–	–	–	–
<b>Total loans granted</b>	15		12.0	12.0	–	–	–	–	–
Loans drawn:									
– EUR fixed interest		5.3%	- 55.9	–	–	- 2.9	- 8.0	–	- 45.0
– GBP fixed interest		7.0%	- 67.7	–	- 39.5	–	–	–	- 28.2
– SGD fixed interest		5.2%	- 103.5	–	–	–	–	- 103.5	–
– SGD floating interest		1.2%	- 26.4	- 26.4	–	–	–	–	–
– SGD floating interest with interest rate swaps		1.2%	- 73.1	–	–	- 39.8	–	–	- 33.3
– USD fixed interest		5.6%	- 452.3	- 3.0	- 41.4	- 14.9	- 83.0	- 106.4	- 203.6
– USD fixed interest with interest rate swaps		5.6%	- 337.3	–	- 138.1	–	–	–	- 199.2
– USD fixed interest with interest rate swaps		7.8%	- 21.7	- 21.7	–	–	–	–	–
– USD floating interest		0.9%	- 52.4	- 52.4	–	–	–	–	–
<b>Total loans drawn</b>	26		- 1,190.3	- 103.5	- 219.0	- 57.6	- 91.0	- 209.9	- 509.3
Derivative financial instruments									
(currency component fair value):									
– Effect of interest rate swaps USD									
from fixed to floating interest:									
USD fixed interest		7.8%	21.7	21.7	–	–	–	–	–
USD floating interest		4.0%	- 21.7	- 21.7	–	–	–	–	–
– Effect of interest rate swaps from									
USD fixed to EUR fixed (CCIRS):									
EUR fixed interest		7.0%	- 350.1	- 82.7	- 267.4	–	–	–	–
USD fixed interest		6.7%	337.4	128.5	208.9	–	–	–	–
– Effect of interest rate swaps SGD from									
floating to fixed interest:									
SGD floating interest		0.7%	73.1	–	–	39.8	–	–	33.3
SGD fixed interest		3.2%	- 73.1	–	–	- 39.8	–	–	- 33.3
<b>Total derivative financial instruments</b>			- 12.7	45.8	- 58.5	–	–	–	–
<b>Total</b>			- 1,018.4	126.9	- 277.5	- 57.6	- 91.0	- 209.9	- 509.3

Credit risks

As at year-end, there was no significant concentration of credit risks at any of the counterparties regarding financial instruments and cash and cash equivalents.



## 32. Remuneration of Supervisory Board members and Executive Board members

### 32.1 Remuneration of Supervisory Board members

The remuneration of the members of the Supervisory Board consists of a gross remuneration component. The Supervisory Board members do not receive any profit-related bonuses, options or expense allowances. Members of Committees receive additional remuneration. The total remuneration paid to current and former Supervisory Board members in the financial year was EUR 0.2 million (2008: EUR 0.2 million).

The table below shows the amounts received by each member individually in 2009.

In EUR thousands	Gross remuneration	Audit committee	Appointment committee	Remuneration committee	Total 2009	Total 2008
F.J.G.M. Cremers	42.5	10.0	–	–	52.5	42
C.J. van den Driest	42.5	–	–	7.5	50.0	37
A. van Rossum	60.0	–	5.0	5.0	70.0	46
M. van der Vorm	42.5	6.0	3.5	–	52.0	40
R.G.M. Zwitterloot <sup>1)</sup>	10.6	1.5	–	–	12.1	–
<b>Total current Supervisory Board members</b>	<b>198.1</b>	<b>17.5</b>	<b>8.5</b>	<b>12.5</b>	<b>236.6</b>	<b>165</b>
R.M.F. van Loon <sup>2)</sup>	10.6	–	–	1.9	12.5	38
J.D. Bax <sup>3)</sup>	–	–	–	–	–	17
<b>Total former Supervisory Board members</b>	<b>10.6</b>	<b>–</b>	<b>–</b>	<b>1.9</b>	<b>12.5</b>	<b>55</b>
<b>Total</b>	<b>208.7</b>	<b>17.5</b>	<b>8.5</b>	<b>14.4</b>	<b>249.1</b>	<b>220</b>

<sup>1)</sup> Remuneration for 2009 relates to the period from 1 October 2009, the date of appointment

<sup>2)</sup> Remuneration for 2009 relates to the period ended on 17 March 2009, the date of resignation

<sup>3)</sup> Remuneration for 2008 relates to the period ended on 24 April 2008, the date of resignation

Mr Van den Driest, a former Executive Board member, held 4,000 shares at year-end 2009 (2008: 4,000 shares). The other Supervisory Board members did not hold any shares in Royal Vopak at year-end 2009 and 2008. No loans, advances or guarantees have been provided to current or former Supervisory Board members.

### 32.2 Remuneration of Executive Board members

The table below shows the remuneration of the Executive Board members. In accordance with IFRS, the long-term variable remuneration consist of compensation to be allocated for work performed during the financial year, irrespective of the actual payment. Total remuneration amounted to EUR 3.3 million (2008: EUR 2.6 million).

The breakdown for Executive Board members is as follows:

In EUR thousands	Salary		Short-term variable remuneration		Long-term variable remuneration <sup>1)</sup>		Pension		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
J.P.H. Broeders	500	475	344	315	275	77	125	102	1,244	969
F.D. de Koning	400	388	248	227	201	57	139	135	988	807
J.P. de Kreij	425	418	263	253	221	63	126	103	1,035	837
<b>Total Executive Board members</b>	<b>1,325</b>	<b>1,281</b>	<b>855</b>	<b>795</b>	<b>697</b>	<b>197</b>	<b>390</b>	<b>340</b>	<b>3,267</b>	<b>2,613</b>

<sup>1)</sup> Is the fair value of the share-based awards. The fair value is the amount for which an item could be exchanged or settled between knowledgeable willing parties. Costs under IFRS deviate from the value attributed to the individual awards at the date of the grant, due to differences in calculation method. Under IFRS the fair value of the share-based award is charged to the statement of income over the vesting period.

The Executive Board members are not members of a defined benefit plan of Vopak but of a defined contribution plan. Under the plan, the standard retirement age is 65. In conformity with their employment contracts, however, Mr De Kreij will step down at the age of 60, and Mr Broeders at the age of 62. Mr De Koning will resign after the Annual General Meeting of April 2010.

The current Executive Board members are entitled to a short-term and long-term variable remuneration component.

The short-term variable remuneration, which is paid out in cash, is based on financial and personal targets and is subject to a maximum of the fixed salary for year 2009. The maximum is 75% and 67.5% for respectively the chairman (2008: 70.0%) and the other members (2008: 62.5%). The financial target component amounts to a maximum of 50% for the chairman (2008: 45%) and to a maximum of 45% for the other members (2008: 42.5%) and is, only based on an increase in the earnings per share compared with the previous year. Both the financial as personal targets were determined by the Supervisory Board prior to the beginning of the year.

For 2009 both targets resulted in a short-term variable component of the fixed salary for Mr Broeders, Mr De Koning and Mr De Kreij of respectively 69%, 62% and 62% (2008: respectively 66.3%, 58.5% and 60.5%).

The long-term variable remuneration consists of performance shares and matching shares and is described in note 28.

### 32.3 Performance shares and matching share plan granted to Executive Board members

For the long-term incentive plan for the individual members of the Executive Board reference is made to note 28.

#### Minimum restricted shareholding requirement at 31 December 2009

The shareholding target of the Vopak shares in portfolio can be build up during three to six years. The members of the Executive Board could already purchase shares starting from 2007 with no minimum requirement during 2007. This means a minimum shareholding requirement of two sixth and a maximum of one hundred per cent of the shareholding target for the members of the Executive Board at 31 December 2009 as reflected in the table.

	Minimum number of shares	Maximum number of shares	Restricted shares held
J.P.H. Broeders	6,415	19,246	19,246
F.D. de Koning	5,132	15,396	15,396
J.P. de Kreij	5,453	16,359	16,359
<b>Total</b>	<b>17,000</b>	<b>51,001</b>	<b>51,001</b>

All the members of the Executive Board have met their minimum shareholding requirements at 31 December 2009.

#### Share ownership at 31 December 2009

The current exposure of the members of the Executive Board members is shown in the next table. This includes unrestricted (including partner holdings) and restricted shares.

The members of the Executive Board are further exposed to the company's share price through their unvested performance and matching shares (see page 132).

	Unrestricted shares held	Restricted shares held	Total shares held	Total share value <sup>1)</sup>
J.P.H. Broeders	1,127	19,246	20,373	1,130,701
F.D. de Koning	–	15,396	15,396	854,478
J.P. de Kreij	133,641	16,359	150,000	8,325,000
<b>Total</b>	<b>134,768</b>	<b>51,001</b>	<b>185,769</b>	<b>10,310,179</b>

<sup>1)</sup> Market value of Vopak shares at year-end is EUR 55.50 per share

All transactions involved were performed for the account and risk of the Executive Board members concerned. At the end of 2008 the total restricted and unrestricted shares held by Mr Broeders, Mr De Koning and Mr De Kreij were, respectively 10,000 shares, 6,699 shares and 153,380 shares.

### 32.4 Options granted to Executive Board members

In the past conditional options were granted to Executive Board members. Options can be exercised three years after being granted and have a term of five years from the date of grant or less in the event of earlier termination of employment with the Group. The option holder can exercise the option during the exercise periods by transferring shares, subject to observance of a specific model code.

Breakdown of outstanding options:

	Term	Year of issue	Issued options	Exercise price in euros	Outstanding options at 31 December	
					2009	2008
J.P.H. Broeders	up to 13 May 2009	2004	20,000	13.75	–	10,000
J.P. de Kreij	up to 31 December 2009	2005	25,000	15.73	–	25,000
<b>Total Executive Board members</b>			<b>45,000</b>		<b>–</b>	<b>35,000</b>

During the year under review, no new options were granted, 35,000 options were exercised at a weighted average exercise price of EUR 47.63 and no options lapsed. The transfer obligations under the share option schemes were covered by shares held in the treasury stock.

### 33. Cash flows from operating activities (gross)

	Note	2009	2008
<b>Net profit</b>		<b>276.5</b>	<b>229.7</b>
Adjustments for:			
– Depreciation, amortization and impairment	4	131.1	109.9
– Net finance costs	7, 8	45.7	37.6
– Income tax	9	68.9	54.9
– Movements in other non-current assets		- 15.7	- 7.2
– Movements in provisions excluding deferred taxes		2.9	- 7.1
– Movements in non-controlling interests	25	- 20.6	- 14.0
– Dividend received from joint ventures and associates	13	31.4	25.4
– Result joint ventures and associates	6	- 60.5	- 35.8
– Measurement of equity-settled share-based payment arrangements	28	1.3	0.4
– Result on sale of intangible assets		0.5	–
– Result on sale of property, plant and equipment	2, 5	- 10.3	- 0.7
– Result on sale of assets held for sale	2, 5	- 5.4	- 4.7
– Result on sale of subsidiaries	2, 5	- 0.8	- 5.6
– Result on sale joint ventures and associates	6	–	- 2.6
Realized value adjustments of derivative financial instruments		27.6	- 61.8
Movements in other current assets (excl. cash and cash equivalents)		20.3	- 0.1
Movements in other current liabilities (excluding bank overdrafts and dividends)		- 39.1	67.8
Effect of changes in exchange rates on other current assets and liabilities		- 0.2	0.8
<b>Cash flows from operating activities (gross)</b>		<b>453.6</b>	<b>386.9</b>

### 34. Operating lease

The amounts due in respect of non-cancellable operating leases are payable as follows:

	2009	2008
Less than one year	43.5	37.6
Between 1 and 5 years	143.5	128.2
More than 5 years	331.8	312.4
<b>Total</b>	<b>518.8</b>	<b>478.2</b>

The lease amounts due are mainly in respect of the leasehold on land and the lease of buildings.

In 2009, EUR 44.6 million was recognized as expenses in the statement of income relating to operating leases (2008: EUR 39.4 million).

### 35. Investment commitments undertaken

The investment commitments undertaken amount to EUR 215.3 million as at 31 December 2009 (2008: EUR 157.9 million).

### 36. Contingent assets and contingent liabilities

The Standic terminal was sold in 2006. The sales contract provides for an adjustment to the selling price depending on the future operating income of the terminal. The price may increase with EUR 3.0 million through the 2011 financial year of which EUR 2.3 million was recognized up to 31 December 2009.

Guarantees and security provided for joint ventures, associates and third parties amounted to EUR 65.3 million (2008: EUR 110.0 million). This includes the Vopak guarantee for the project financing (USD 60 million) of the joint venture Vopak Terminal Jakarta. The amounts of these guarantees and securities can be called within one year.

The Group is exposed to risks regarding environmental obligations arising from past activities. For example, a number of sites have to be decontaminated before being handed back at the end of the contractual period. Under current legislation, environmental plans and any other measures to be adopted have to be agreed with local, regional and national authorities as appropriate. As soon as such plans are approved or other legal obligations arise, a provision is formed based on the most reliable estimate possible of future expenses. The Executive Board is of the opinion that, based on information currently available, the provisions are adequate. However, given the degree of difficulty in making estimates, this does not guarantee that no additional costs will arise.

As a result of its day-to-day activities, the Group is involved in a number of legal proceedings. No provisions have been formed, where the Executive Board is of the opinion that the final outcome will not create a cash outflow.

### 37. Related parties

#### Transactions with Supervisory Board members and Executive Board members

For the remuneration of Supervisory Board members and Executive Board members, please refer to note 32.

No loans, advances or guarantees have been provided to current or former members of the Supervisory Board and/or Executive Board.

In 2009, the Group did not conduct any transactions with companies in which Executive Board members and/or persons closely related to them have a significant financial interest.

#### Transactions with subsidiaries and joint ventures

Royal Vopak has a business relationship with its subsidiaries and joint ventures (see page 162).

Related party transactions can arise with the Group's joint ventures comprise fees for the use of Vopak's services. Except as disclosed below, no related party transactions have been entered into during the year which might reasonably affect any decisions made by the users of these consolidated financial statements.

	2009	2008
Other operating income	3.3	2.6
Interest income on borrowings to joint ventures and associates	4.1	4.6
Amounts owed by or owed to (-) joint ventures	9.4	66.9

For Vopak Terminal Bahamas a long term incentive structure is in place for the benefit of Vopak. This incentive structure has been agreed with our partner at acquisition date and is linked to the financial long term performance and successful expansion of the company. Due to the early stages of the related development activities there is insufficient information to make a reliable estimate of such incentives as at 31 December 2009.



## Company Financial Statements

### Company Statement of Income

In EUR millions	2009	2008
Profit of participating interests after tax	295.0	249.3
Other results after tax	- 43.8	- 36.1
<b>Net profit</b>	<b>251.2</b>	<b>213.2</b>

### Company Statement of Financial Position at 31 December before Profit Appropriation

In EUR millions	Note	2009	2008
Participating interests in group companies	2	1,231.8	1,015.3
Loans granted	3	925.5	467.7
Pensions and other employee benefits		80.7	60.4
Derivative financial instruments	6	9.3	2.7
<b>Total non-current assets</b>		<b>2,247.3</b>	<b>1,546.1</b>
Trade and other receivables		25.1	10.5
Prepayments and accrued income		1.2	0.7
Derivative financial instruments	6	1.7	24.5
Cash and cash equivalents		110.6	0.1
<b>Total current assets</b>		<b>138.6</b>	<b>35.8</b>
Bank overdrafts		0.4	47.2
Current portion of interest-bearing loans	5	24.7	50.0
Creditors and other liabilities		12.3	9.5
Derivative financial instruments	6	13.6	2.6
<b>Total current liabilities</b>		<b>51.0</b>	<b>109.3</b>
<b>Current assets less current liabilities</b>		<b>87.6</b>	<b>- 73.5</b>
<b>Total assets less current liabilities</b>		<b>2,334.9</b>	<b>1,472.6</b>
Interest-bearing loans	5	1,062.2	518.6
Derivative financial instruments	6	17.3	20.1
<b>Non-current liabilities</b>		<b>1,079.5</b>	<b>538.7</b>
<b>Provisions</b>	7	<b>3.2</b>	<b>0.9</b>
Share capital		84.6	81.9
Share premium		281.2	165.2
Share capital and share premium		365.8	247.1
Statutory reserve for participating interests		126.4	89.9
Exchange differences reserve		- 2.3	- 8.7
Revaluation reserve derivatives		- 20.3	- 20.2
Revaluation reserve assets		7.2	7.7
Other reserves		524.2	404.0
Unappropriated profit		251.2	213.2
Other shareholders' equity components		886.4	685.9
<b>Shareholders' equity</b>	4	<b>1,252.2</b>	<b>933.0</b>
<b>Total</b>		<b>2,334.9</b>	<b>1,472.6</b>

## Notes to the Company Financial Statements

An abridged company statement of income is presented in accordance with Section 402 of Book 2 of the Netherlands Civil Code.

All amounts are in EUR millions, unless stated otherwise.

### 1. General

#### 1.1 Accounting policies

The company financial statements have been drawn up in accordance with Dutch GAAP (Part 9 of Book 2 of the Netherlands Civil Code). In doing so, the company made use of the possibility to apply the accounting policies (including the policies for the presentation of financial instruments as equity or loan capital) used in the consolidated financial statements to the company financial statements, as provided in Section 362 (8) of Book 2 of the Netherlands Civil Code.

The accounting policies applied in the company financial statements are the same as those applied in the consolidated financial statements. The policies stated in the consolidated financial statements are applied, unless stated otherwise.

#### 1.2 Participating interests in group companies

Interests in group companies and other companies over which Vopak exercises control or which it manages are carried at net asset value. The net asset value is determined by measuring the assets, provisions and debts and calculating the result according to the accounting policies applied in the consolidated financial statements.

### 2. Participating interests in group companies

	2009	2008
<b>Carrying amount at 1 January</b>	<b>1,015.3</b>	<b>1,022.7</b>
Disposals	- 4.0	-
Dividend	- 77.3	- 273.0
Exchange differences	3.1	26.3
Hedging	- 0.2	- 10.0
Profit	294.9	249.3
<b>Carrying amount at 31 December</b>	<b>1,231.8</b>	<b>1,015.3</b>

### 3. Loans granted

	Loans to subsidiaries	Loans to participating interests	Total
<b>Carrying amount at 1 January 2008</b>	<b>385.8</b>	<b>8.7</b>	<b>394.5</b>
Loans granted	81.2	-	81.2
Repayments	-	- 8.7	- 8.7
Exchange differences	0.7	-	0.7
<b>Carrying amount at 31 December 2008</b>	<b>467.7</b>	<b>-</b>	<b>467.7</b>
Loans granted	611.5	-	611.5
Repayments	- 153.3	-	- 153.3
Exchange differences	- 0.4	-	- 0.4
<b>Carrying amount at 31 December 2009</b>	<b>925.5</b>	<b>-</b>	<b>925.5</b>

At 31 December 2009, loans granted did not include any subordinated loans (2008: nil).

#### 4. Shareholders' equity

Please see note 22 for movements in the number of shares, share capital and share premium.

The share premium can be distributed in full, free of tax.

Movements in the remaining components of shareholders' equity for 2008 and 2009 are shown on the next page.

The exchange differences reserve includes all exchange differences resulting from the translation of the financial statements of foreign entities and exchange differences resulting from the translation of liabilities and the effective part of the fair value changes in derivative financial instruments, net of tax, that hedge the net investment of the company in foreign entities.

The revaluation reserve derivatives contains the effective part of the accumulated net change in the fair value of the cash flow hedges (less tax) relating to cash flows in the future.

The revaluation reserve assets contains the revaluations due to step-up acquisitions.

After adjustment for the negative exchange differences reserve (EUR 2.3 million) and negative revaluation reserve derivatives (EUR 20.3 million) is at 31 December 2009, a total of EUR 752.8 million (2008: EUR 588.3 million) distributable from other reserves and unappropriated profit for 2009.

	Statutory reserve participating interests	Exchange differences reserve	Re- valuation reserve derivatives	Re- valuation reserve assets	Other reserves	Unappro- priated profit	Total
<b>Balance at 1 January 2008</b>	<b>65.5</b>	<b>- 3.3</b>	<b>- 0.4</b>	<b>14.6</b>	<b>301.6</b>	<b>182.9</b>	<b>560.9</b>
Profit appropriation	-	-	-	-	121.9	- 121.9	-
Dividend in cash	-	-	-	-	-	- 61.0	- 61.0
Exchange differences on net investments	-	22.8	-	-	-	-	22.8
Effective part of hedges of net investments	-	- 40.4	-	-	-	-	- 40.4
Tax effect on exchange differences and hedges	-	11.5	-	-	-	-	11.5
Use of exchange differences on net investments (to statement of income)	-	0.7	-	-	-	-	0.7
Changes in value of effective part of cash flow hedges	-	-	- 27.4	-	-	-	- 27.4
Tax effect of changes in value of cash flow hedges	-	-	6.0	-	-	-	6.0
Use of effective part of cash flow hedges (to statement of income)	-	-	2.1	-	-	-	2.1
Tax effect of use of cash flow hedges	-	-	- 0.5	-	-	-	- 0.5
Revaluation non-current assets	-	-	-	- 6.3	6.3	-	-
Depreciation on revaluation reserve assets	-	-	-	- 0.6	0.6	-	-
Measurement of equity-settled share-based payment arrangement	-	-	-	-	0.4	-	0.4
Issued to option holders	-	-	-	-	0.4	-	0.4
Repurchase of own shares	-	-	-	-	- 2.8	-	- 2.8
Transferred from other reserves to statutory reserves	24.4	-	-	-	- 24.4	-	-
Profit for the year	-	-	-	-	-	213.2	213.2
<b>Balance at 31 December 2008</b>	<b>89.9</b>	<b>- 8.7</b>	<b>- 20.2</b>	<b>7.7</b>	<b>404.0</b>	<b>213.2</b>	<b>685.9</b>
Profit appropriation	-	-	-	-	157.3	- 157.3	-
Dividend in cash	-	-	-	-	-	- 20.5	- 20.5
Dividend paid in stock	-	-	-	-	-	- 35.4	- 35.4
Exchange differences on net investments	-	4.8	-	-	-	-	4.8
Effective part of hedges of net investments	-	5.2	-	-	-	-	5.2
Tax effect on exchange differences and hedges	-	- 3.0	-	-	-	-	- 3.0
Use of exchange differences on net investments (to statement of income)	-	- 0.6	-	-	-	-	- 0.6
Changes in value of effective part of cash flow hedges	-	-	- 2.2	-	-	-	- 2.2
Tax effect of changes in value of cash flow hedges	-	-	0.9	-	-	-	0.9
Use of effective part of cash flow hedges (to statement of income)	-	-	1.6	-	-	-	1.6
Tax effect of use of cash flow hedges	-	-	- 0.4	-	-	-	- 0.4
Depreciation on revaluation reserve assets	-	-	-	- 0.5	0.5	-	-
Measurement of equity-settled share-based payment arrangement	-	-	-	-	1.3	-	1.3
Issued to option holders	-	-	-	-	0.5	-	0.5
Repurchase of own shares	-	-	-	-	- 2.9	-	- 2.9
Transferred from other reserves to statutory reserves	36.5	-	-	-	- 36.5	-	-
Profit for the year	-	-	-	-	-	251.2	251.2
<b>Balance at 31 December 2009</b>	<b>126.4</b>	<b>- 2.3</b>	<b>- 20.3</b>	<b>7.2</b>	<b>524.2</b>	<b>251.2</b>	<b>886.4</b>

## 5. Interest-bearing loans

	Nominal value		More than 5 years		Average term in years		Average interest in %	
	2009	2008	2009	2008	2009	2008	2009	2008
Current portion	24.7	50.0						
Non-current portion	1,062.2	518.6						
<b>Total</b>	<b>1,086.9</b>	<b>568.6</b>	<b>740.8</b>	<b>288.0</b>	<b>8.4</b>	<b>6.0</b>	<b>5.6</b>	<b>6.1</b>

## 6. Derivative financial instruments

Market value of derivative financial instruments as at 31 December 2008 in order of maturity date

	Years						Total	Assets	Liabilities
	< 1	1-2	2-3	3-4	4-5	> 5			
Currency risks									
Forward exchange contracts	21.5	–	–	–	–	–	21.5	23.1	1.6
Cross currency interest rate swaps	–	- 2.3	- 16.1	–	–	–	- 18.4	1.7	20.1
Interest rate risks									
Interest rate swaps	0.5	0.9	–	–	–	–	1.4	2.4	1.0
Total	22.0	- 1.4	- 16.1	–	–	–	4.5	27.2	22.7
Current	22.0	–	–	–	–	–	22.0	24.6	2.6
Non-current	–	- 1.4	- 16.1	–	–	–	- 17.5	2.6	20.1
Total	22.0	- 1.4	- 16.1	–	–	–	4.5	27.2	22.7

Market value of derivative financial instruments as at 31 December 2009 in order of maturity date

		Years					Total	Assets	Liabilities
		< 1	1-2	2-3	3-4	4-5			
Currency risks									
Forward exchange contracts	- 6.9	–	–	–	–	–	- 6.9	0.9	7.8
Cross currency interest rate swaps	- 5.7	- 8.0	–	–	–	–	- 13.7	9.4	23.1
Interest rate risks									
Interest rate swaps	0.7	–	–	–	–	–	0.7	0.7	–
Total	- 11.9	- 8.0	–	–	–	–	- 19.9	11.0	30.9
Current	- 11.9	–	–	–	–	–	- 11.9	1.7	13.6
Non-current	–	- 8.0	–	–	–	–	- 8.0	9.3	17.3
Total	- 11.9	- 8.0	–	–	–	–	- 19.9	11.0	30.9



## 7. Provisions

Movements in provisions were as follows:

	Pensions and other employee benefits	Reorganiza- tion	Other	Total
<b>Balance at 1 januari 2008</b>	–	<b>0,3</b>	–	<b>0,3</b>
Movements:				
– Additions	–	–	0.9	0.9
– Withdrawals	–	- 0.2	–	- 0.2
<b>Balance at 31 December 2008</b>	–	<b>0.1</b>	<b>0.9</b>	<b>1.0</b>
Non-current liabilities	–	–	0.9	0.9
Current liabilities	–	0.1	–	0.1
<b>Balance at 31 December 2008</b>	–	<b>0.1</b>	<b>0.9</b>	<b>1.0</b>
Movements:				
– Additions	2.3	–	–	2.3
– Withdrawals	–	- 0.1	–	- 0.1
<b>Balance at 31 December 2009</b>	<b>2.3</b>	–	<b>0.9</b>	<b>3.2</b>
Non-current liabilities	2.3	–	0.9	3.2
Current liabilities	–	–	–	–
<b>Balance at 31 December 2009</b>	<b>2.3</b>	–	<b>0.9</b>	<b>3.2</b>

## 8. Remuneration of Supervisory Board members and Executive Board members

See note 32 to the consolidated financial statements.

## 9. Contingent liabilities

Royal Vopak is the head of a tax entity including almost all Dutch wholly-owned group companies. The company is therefore jointly and severally liable for the tax liabilities of the tax entity as a whole.

Guarantees and security provided on behalf of participating interests and third parties amounted to EUR 65.2 million (2008: EUR 110.8 million). Guarantees and security provided on behalf of group companies amounted to EUR 68.3 million (2008: EUR 81.2 million).

Joint and several liability undertakings for an amount of EUR 110.0 million (2008: EUR 110.0 million) were issued for bank credits granted to Royal Vopak. Furthermore joint and several liability undertakings for an amount of EUR 34.6 million (2008: EUR 18.2 million) were issued for bank credits granted to subsidiaries.

The company has filed joint and several liability undertakings for a number of its Dutch group companies at the office of the Company Registry in whose area of jurisdiction the group company concerned has its registered office. The list of interests filed at the office of the Company Registry for inspection states for which group companies Royal Vopak has issued joint and several liability undertakings.

The members of the Executive Board have signed the financial statements in order to comply with the statutory obligation pursuant to article 2:101 paragraph 2 Dutch Civil Code and article 5:25c sub c of the Act on Financial Supervision (Wft).

Rotterdam, 11 March 2010

**The Executive Board**

J.P.H. Broeders (Chairman)  
J.P. de Kreij (CFO)  
F.D. de Koning

**The Supervisory Board**

A. van Rossum (Chairman)  
M. van der Vorm (Vice-chairman)  
F.J.G.M. Cremers  
C.J. van den Driest  
R.G.M. Zwitterloot





Vopak



## Other Information

### Auditors' report

To the Annual General Meeting of Shareholders of Koninklijke Vopak N.V. (Royal Vopak)

#### Report on the financial statements

We have audited the financial statements 2009 of Koninklijke Vopak N.V., Rotterdam as set out on pages 76 to 149 of this annual report. These financial statements consist of the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of financial position as at 31 December 2009, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information. The company financial statements comprise the company statement of income for the year 2009, the company statement of financial position as at 31 December 2009 and the notes.

#### Executive Board's responsibility

The Executive Board of Koninklijke Vopak N.V. is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the Executive Board report in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Executive Board of the company, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Koninklijke Vopak N.V. as at 31 December 2009, and of its result and its cash flow for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code.

#### Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of Koninklijke Vopak N.V. as at 31 December 2009, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

#### Report on legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part f of the Netherlands Civil Code, we report, to the extent of our competence, that the Executive Board report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Rotterdam, 11 March 2010

PricewaterhouseCoopers Accountants N.V.

Originally signed by J.A.M. Stael RA



## Articles of Association Provisions Governing Profit Appropriation

The Articles of Association provisions governing profit appropriation are contained in Articles 19 and 27.

The relevant paragraphs of these articles are as follows:

19.2. At the meeting:

b. the financial statements prepared by the Executive Board are presented to the Annual General Meeting for adoption and the appropriation of profit is adopted in accordance with Article 27 of these Articles of Association.

27.12. The profit remaining after the application of the provisions in the preceding paragraphs is at the free disposal of the Annual General Meeting, on the understanding that no dividend may be distributed if at the time of the intended distribution the balance of the dividend reserve for the financing preference shares is positive, and subject to the conditions that no further dividend is distributed on the protective preference shares or the financing preference shares and that with respect to the financing preference shares no reserve will be formed and no addition made to an existing reserve.

## Proposed Profit Appropriation

The proposal to the Annual General Meeting will be to distribute a dividend on the financing preference shares of EUR 2.8 million (2008: EUR 1.2 million) and a dividend in cash of EUR 1.25 per ordinary share, with a nominal value of EUR 1.00 each (2008: EUR 1.10 in ordinary shares or in cash). Provided that the Annual General Meeting adopts the statement of income, statement of financial position and dividend proposal, the dividend for the 2009 financial year will be made payable on 4 May 2010.

## Stichting Vopak

The objects of Stichting Vopak, established in Rotterdam, are to promote the interests of Koninklijke Vopak N.V. (Royal Vopak) and of all those involved with this company or any of its affiliated companies in order to safeguard, among other things, Royal Vopak's and these companies' continuity, identity and independence.

During the year under review, the Board of Stichting Vopak convened twice. At these meetings, the protection of Vopak and its effectiveness were discussed. Furthermore, the Board was extensively briefed by the Chairman of the Executive Board of Royal Vopak on the developments in the company. The Chairman of the Supervisory Board attended these meetings as an observer.

In addition, the financing of Stichting Vopak and the composition of the Board were discussed. During the meeting held on 6 April 2009, Mr R.E. Selman was reappointed as a member of the Board.

The non-independence of the A member was also discussed. As both Vopak and the Board of the Stichting believe that in the circumstances it could be undesirable for a member of the Board of the Stichting not to be independent, it was decided at the meeting on 28 October 2008 to amend the constitution of the Stichting so that the board members have to be independent.

Consequently, the distinction between A and B members lapses. It was also decided to set the number of board members at four.

The deed amending the constitution was executed on 31 December 2008 before M.H. Legein, civil law notary practicing in Amsterdam.

The current members of the Board of Stichting Vopak are:

- A. Schaberg, Chairman
- G. Izeboud
- J.H.M. Lindenberg
- R.E. Selman

No cumulative protective preference shares in Royal Vopak had been issued at the statement of financial position date.

Protective preference shares will be issued if Stichting Vopak exercises its option right. On 18 October 1999, the Annual General Meeting decided to grant the right to Stichting Vopak to acquire protective preference shares to a maximum amount of the full nominal value of the share capital issued to third parties in the form of ordinary and financing preference shares, less the nominal value of one ordinary share. Royal Vopak and Stichting Vopak have specified their mutual relationship with regard to the option in an option agreement dated 1 November 1999, which was amended on 5 May 2004 such that the original put option granted to Royal Vopak was cancelled.

The Board of Stichting Vopak decides independently whether and when there is a need to issue protective preference shares to Stichting Vopak.

Rotterdam, 11 March 2010

**Stichting Vopak**

### Declaration of independence

In the opinion of the Board of Stichting Vopak and the Executive Board of Royal Vopak, Stichting Vopak is independent as meant by Section 5:71(1c) of the Financial Supervision Act.

Rotterdam, 11 March 2010

**Stichting Vopak**

**Koninklijke Vopak N.V. (Royal Vopak)**

## **Stichting Administratiekantoor Financieringspreferente Aandelen Vopak (‘the Foundation’)**

As at 31 December 2009, the Foundation administered 20,700,000 registered financing preference shares with a nominal value of EUR 1.00 each in Royal Vopak, for which an equal number of depositary receipts for shares had been issued.

During the year under review, the Board of the Foundation convened twice. During these meetings, items on the agenda included the manner in which the Foundation would vote at the Annual General Meeting to be held on 23 April 2009. At that meeting, the Foundation agreed to all proposals made to the General Meeting.

During another meeting, items on the agenda included the terms of the new 2009 Financing Preference Share Program, amendments to the Foundation’s bylaws and trust conditions and amendments to Royal Vopak’s Articles of Association. Discussions were also held about the manner in which the Foundation would vote at the Extraordinary General Meeting to be held on 27 August 2009.

For the Annual General Meeting held on 23 April 2009, two holders of depositary receipts requested proxies. The other holders did not give the Foundation any voting instructions. For the Extraordinary General Meeting held on 27 August 2009, one holder of depositary receipts requested a proxy, while the other holders gave the Foundation voting instructions.

During both meetings, the Foundation approved all proposals submitted to the shareholders.

In addition, the Foundation convened two meetings of depositary receipt holders during the year under review. The first meeting was convened in order to fill a vacancy that had arisen because Officer A Mr J.H. Ubas had retired according to schedule. During this meeting, Mr Ubas was reappointed for a four-year term. The second meeting was convened to discuss the amendments to the Foundation’s bylaws and Royal Vopak’s Articles of Association with holders of depositary receipts. Furthermore, approval was requested and granted for amending the Foundation’s trust conditions.

During the year under review, the Board of the Foundation was composed of two Officers A, Mr J.H. Ubas and Mr H.J. Baeten, appointed by the meeting of depositary receipt holders, and an Officer B, Mr L.P.E.M. van den Boom, appointed by the Board, who is also the Chairman. Prior to taking up their duties, the Officers of the Foundation held senior management positions at various financial institutions. All Officers satisfy the independence conditions as stipulated by article 6.6 of the by-laws of the Foundation. They receive annual compensation of EUR 6,353 each.

The Board of the Foundation will grant proxies to the holders of depositary receipts at their request. The Board of the Foundation will also comply with all voting instructions from the holders of depositary receipts. The granting of proxies and the acceptance of voting instructions will always be in accordance with a limit of one-hundred-and-sixteen votes for every thousand financing preference shares.

Rotterdam, 11 March 2010

**Stichting Administratiekantoor Financieringspreferente Aandelen Vopak**

## Information on the Executive Board Members

### Personal details regarding Mr J.P.H. Broeders (Chairman)

Nationality	Dutch
Year of birth	1964
Previous important position held	President of Vopak Asia
Supervisory board memberships	none
Number of Vopak shares held	20,373 <sup>1)</sup>
Date of first appointment	1 June 2004
Current period	2008 - 2012

### Personal details regarding Mr J.P. de Kreij (CFO)

Nationality	Dutch
Year of birth	1959
Previous important positions held	Senior Partner PricewaterhouseCoopers N.V. Managing Partner Transaction Services
Supervisory board memberships	Evides N.V.
Number of Vopak shares held	150,000 <sup>1)</sup>
Date of first appointment	1 January 2003
Current period	Indefinitely

### Personal details regarding Mr F.D. de Koning (member)

Nationality	Dutch
Year of birth	1949
Previous important positions held	Director Shell Moerdijk, Shell Pernis and Shell Nederland Senior Vice President, Unconventional Resources Shell Exploration & Production Company Houston (USA)
Supervisory board memberships	none
Number of Vopak shares held	15,396 <sup>1)</sup>
Date of first appointment	1 June 2005
Current period	2009 - 2010

<sup>1)</sup> All transactions involved were performed at the own expense and risk of the Executive Board member concerned

## Information on the Supervisory Board Members

### Personal details regarding Mr A. van Rossum (Chairman)

Age	64 years (12-5-1945)
Nationality	Dutch
Previous important position held	Chairman of Executive Committee of Fortis Senior Partner McKinsey & Company
Other positions/ Supervisory board memberships	Credit Suisse A.G. Münchener Rückversicherungs-Gesellschaft A.G. Solvay S.A. Rodamco Europe N.V. Erasmus Universiteit Rotterdam, Supervisory Board Chairman Trustee of The Conference Board Inc. (until 28 June 2009)
Number of Vopak shares held	none
Date of first appointment	27 September 2007
Current term	2007 - 2011
Chairman of the Selection and Appointment Committee	
Member of the Remuneration Committee	

### Personal details regarding Mr M. van der Vorm (Vice-chairman)

Age	51 years (20-8-1958)
Nationality	Dutch
Profession/Main position	Chairman of the Executive Board HAL Holding N.V.
Other positions/ Supervisory board memberships	Anthony Veder Group N.V. Koninklijke Boskalis Westminster N.V.
Number of Vopak shares held	none
Date of first appointment	3 November 2000
Current term	2008 - 2012
Member of the Audit Committee	
Member of the Selection and Appointment Committee	

### Personal details regarding Mr F.J.G.M. Cremers (member)

Age	58 years (7-2-1952)
Nationality	Dutch
Previous important position held	Member of the Executive Board and CFO of VNU N.V.
Other positions/ Supervisory board memberships	N.V. Nederlandse Spoorwegen Fugro N.V., Vice-Chairman N.V. Luchthaven Schiphol Unibail-Rodamco S.A. Parcom Capital B.V. Lodewijk Stichting (Océ) Member of the Capital Market Committee of AFM SBM offshore N.V. (as of 14 april 2010) Stichting Preferente Aandelen Philips Stichting Preferente Aandelen Heijmans Examiner on behalf of the Enterprise Section of the Amsterdam Court of Appeal of policy and circumstances surrounding Fortis N.V.
Number of Vopak shares held	none
Date of first appointment	1 October 2004
Current term	2008 - 2012
Chairman of the Audit Committee	



**Personal details regarding Mr C.J. van den Driest (member)**

Age	62 years (22-11-1947)
Nationality	Dutch
Profession/Main position	Director of Carelshaven B.V.
Previous important position held	Chairman of the Executive Board of Royal Vopak
Other positions/ Supervisory board memberships	Anthony Veder Group N.V., Chairman, Darlin N.V., Chairman Dura Vermeer Group N.V., Chairman Van Gansewinkel Groep B.V. Van Oord N.V., Chairman Stork N.V. Stichting ING Aandelen
Number of Vopak shares held	4,000
Date of first appointment	27 April 2006
Current term	2006 - 2010
Chairman of the Remuneration Committee	

**Personal details regarding Mr R.G.M. Zwitterloot (member)**

Age	60 years (25-08-1949)
Nationality	Dutch
Previous important position held	Chairman of the Executive Board Wintershall Holding AG
Other positions/ Supervisory board memberships	none
Number of Vopak shares held	none
Date of first appointment	1 October 2009
Current term	2009 - 2013
Member of the Audit Committee	

## Principal Company Officers

### Chemicals Europe, Middle East & Africa

#### Division Management

Kees van Seventer	Division President
Hans de Willigen	Marketing & Sales
Frank Jan Thijssen	Operations, Safety & Environment
Jan Doude van Troostwijk	Asset Management & Projects
Ferry Lupescu	Finance & Control
Arold de Vries (a.i)	Human Resources

#### Business Units

Rolf Brouwer	Vlissingen, Netherlands
Paul Cox	Vlaardingen, Netherlands
Ramon Ernst	Finland
Marcel van de Kar	South Africa
Gilles van Nieuwenhuyzen	Netherlands
Michiel van Ravenstein	Belgium
Colin Scott	United Kingdom
Tönnis van der Sluis	Turkey

#### Joint ventures

Jose Callejas	Terquimsa, Spain
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### Oil Europe, Middle East & Africa

#### Division Management

Frank Erkelens	Division President
Hari Dattatreya	Sales & Marketing
Michiel van Cortenberghe	Business Development
Dave Mercer	Operational Excellence
Maarten van Akkerveeken	Finance & Control
Edwin Taal	Human Resources

#### Business Units

Ian Cochrane	Middle East, Dubai
Piet Hoogerwaard	Agencies
Erik Kleine	Amsterdam, Netherlands
Boudewijn Siemons	Oil Rotterdam, Netherlands
Jarmo Stoopman	Sweden
Niels Unger	Germany

#### Joint ventures

Peter den Breejen	Cross-Ocean, Netherlands
Arnout Lugtmeijer	Vopak E.O.S., Estonia
Arno de Man	SabTank, Saudi Arabia
Walter Moone	Vopak Horizon Fujairah, UAE
Pieter Peeters	Interstream Barging

### Asia

#### Division Management

Eelco Hoekstra	Division President
Ismail Mahmud	Commercial
Patrick van der Voort	Business Development
Soo Koong Tan	Operational Excellence
Aqeel Hussain	SHE & Asset Management
Ard Huisman	Finance & Control
Diana Chee	Human Resources

#### China

Jan Bert Schutrops	China Region President
Teo Seow Ling	Operational Excellence
Yan Biwei	Project & Engineering
Wayne Wang	Finance
Whitney Wu	Human Resources

#### Business Units

Ron Dickinson	Lanshan, China
Michiel Gilsing	Australia
Surizan Khalil	Pasir Gudang, Malaysia
Wilfrid Lim	Singapore
Teo Seow Ling	Zhangjiagang, China
Mark Noordhoek-Hegt	Indonesia
Andrew North	Merak, Indonesia
Le Quan	Vietnam

#### Joint ventures

Teng Bo	Tianjin, China
Tawatchai	Thai Tank Terminal, Thailand
Chittavanich	Shanghai, China
Bon Ellemet	Xiamen, China
Wu Gang	Engro Vopak, Pakistan
Imran-ul Haque	Kertih Terminals, Malaysia
Law Say Huat	Ningbo, China
Edwin Hui	Ulsan, Korea
J.I. Lee	Nippon Vopak, Japan
K. Sato	

### North America

#### Division Management

Dick Richelle	Division President
Len Daly	Commercial & Business Development
Jim Dubose	Strategic Operational and Technical Planning
Jeffrey Tan	Operational Excellence
Clinton Roeder	Finance & Control
Kenneth McKee	Human Resources

Lawrence Waldron	Gulf Coast
Mike Lacavera	West Coast
Jacob Anslum	East Coast
Mark de Hueck	Canada

#### Joint ventures

Raymond Jones	Bahamas
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### Latin America

#### Division Management

Jos Steeman	Division President
Dick Oskam	Marketing & Sales
Esteban Kepcija	Operational Excellence
Mark Ramondt	Finance & Control
Hernán Rein	Human Resources
Gustavo Prévide	Business Development
Diana Salguero	ICT & Process Improvement
Nadine Fève	Communication

#### Business Units

Ignacio González	Mexico
Coenraad Meijer	Chile
Dick Meurs	Venezuela
Carlos Pineda	Colombia
Cristhian Pérez	Peru
Frank Wisbrun	Brazil

#### Joint ventures

Sjoerd Bazen	Ecuador
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### Corporate Staff

Chris Badenhorst	Commercial Excellence & Strategic Development
Ton van Dijk	Information Services
Paul Govaart	Strategic Management Office
Jos Kea	Sourcing & Procurement (a.i.)
Ans Knappe	Human Resources
Anne-Marie Kroon	Tax
Bas Rutgers	Communication & Investor Relations
Wim Samlal	Control & Business Analysis
Dirk van Slooten	LNG projects
Dion Veldhuyzen	Internal Audit
Niek Verbree	Operational Excellence
Cees Vletter	Treasury
Tjeerd Wassenaar	Legal Affairs & Corporate Secretary
René Wiezer	Insurance
Branko Pokorny	Gate Terminal

## Consolidated Subsidiaries and Joint Ventures

### A. Principal consolidated subsidiaries

#### Europe, Middle East & Africa

##### Belgium

Vopak Agencies Antwerpen NV  
Vopak Terminal Eurotank NV  
Vopak Chemical Terminals Belgium NV

##### Germany

Vopak DUPEG Terminal Hamburg GmbH  
Vopak Agency Germany GmbH

##### Finland

Vopak Chemicals Logistics Finland Oy

##### France

Vopak Agencies France Sarl  
Fos Faster LNG Terminal SAS (90%)

##### The Netherlands

Vopak Nederland B.V.  
Vopak Finance B.V.  
Vopak Terminal Vlissingen B.V.  
Vopak Terminal Amsterdam B.V.  
Vopak Agencies Amsterdam B.V.  
Vopak Agencies Rotterdam B.V.  
Vopak Agencies Terneuzen B.V.  
Vopak Chemicals EMEA B.V.  
Vopak Chemicals Logistics Netherlands B.V.  
Vopak Global Information Services B.V.  
Vopak LNG Holding B.V.  
Vopak Logistic Services OSV B.V.  
Vopak Oil EMEA B.V.  
Vopak Shared Services B.V.  
Vopak Terminal Botlek B.V.  
Vopak Terminal Botlek-Noord B.V.  
Vopak Terminal Chemiehaven B.V.  
Vopak Terminal Europoort B.V.  
Vopak Terminal Laurens haven B.V.  
Vopak Terminal TTR B.V.  
Vopak Terminal Vlaardingen B.V.  
Vopak Terminal Westpoort B.V.

##### Russia

Koninklijke Vopak N.V., Moscow  
Representative office

##### South Africa

Vopak Terminal Durban (Pty) Ltd.

##### Sweden

Vopak Sweden AB

##### Switzerland

Monros AG

##### Turkey

Vopak Terminal Marmara Depolama  
Hizmetleri AS

##### United Kingdom

Vopak Terminal Ipswich Ltd.  
Vopak Terminal London Limited B.V.  
Vopak Terminal Purfleet Ltd.  
Vopak Terminal Teesside Ltd.  
Vopak Terminal Windmill Ltd.

#### Asia/Australia

##### Australia

Vopak Terminals Australia Pty Ltd.  
Vopak Terminals Sydney Pty Ltd.  
Vopak Terminal Darwin Pty Ltd.

##### China

Vopak China Management Company Ltd.  
Vopak Terminal Zhangjiagang Ltd.  
Vopak Terminal Shandong Lanshan (60%) <sup>1)</sup>

##### Indonesia

PT Vopak Terminal Merak (95%)

##### Malaysia

Vopak Terminals Pasir Gudang Sdn. Bhd.

##### Singapore

Vopak Asia Pte. Ltd.  
Vopak Terminals Singapore Pte. Ltd.  
(69.5%) <sup>2)</sup>  
Vopak Terminal Penjuru Pte. Ltd. (69.5%) <sup>3)</sup>

##### Vietnam

Vopak Vietnam Co. Ltd.

#### North America

##### Canada

Vopak Terminals of Canada Inc.

##### United States

Vopak North America Inc.  
Vopak Terminals North America Inc.  
Vopak Terminal Deer Park Inc.  
Vopak Terminal Galena Park Inc.  
Vopak Terminal Savannah Inc.  
Vopak Terminal Wilmington Inc.  
Vopak Terminal Los Angeles Inc.  
Vopak Terminal Long Beach Inc.

#### Latin America

##### Argentina

Vopak Argentina S.R.L.

##### Brazil

Vopak Brasil S.A.

##### Chile

Vopak Chile Limitada

##### Colombia

Vopak Colombia S.A.

##### Mexico

Vopak Mexico SA de CV

##### Peru

Vopak Peru S.A.

##### Venezuela

Vopak Venezuela S.A.

### B. Joint ventures

#### Europe, Middle East & Africa

##### Estonia

AS Vopak E.O.S. (50%)

##### The Netherlands

Cross-Ocean B.V. (50%)  
Cosco Container Lines B.V. (50%)  
Gate terminal B.V. (40.0%)  
Gate terminal Management B.V. (50%)  
Interstream Barging B.V. (50%)  
Maasvlakte Olie Terminal N.V. (16.67%)  
MultiCore CV (25%)

##### Spain

Terminals Quimicos SA (Terquimsa) (50%)

##### United Arab Emirates

Vopak Horizon Fujairah Ltd. (33.33%)

#### Asia

##### China

Xiamen Paktank Company Ltd. (40%)  
Vopak Terminal Ningbo Co. Ltd. (37.5%)  
Vopak Shanghai Logistics Company Ltd. (50%)  
Vopak Nanjiang Petrochemicals Terminal Tianjin Company Ltd. (50%)  
Vopak Ethylene Terminal Tianjin Co. Ltd. (50%)

##### Indonesia

PT Jakarta Tank Terminal (49%)

##### Japan

Nippon Vopak Co. Ltd. (39.77%)

##### Korea

Vopak Terminals Korea Ltd. (51%)

##### Malaysia

Kertih Terminals Sdn. Bhd. (30%) <sup>4)</sup>

##### Pakistan

Engro Vopak Terminal Ltd. (50%)

##### Thailand

Thai Tank Terminal Ltd. (49%)

#### North America

##### Bahamas

Vopak Terminal Bahamas (20%)

#### Latin America

##### Brazil

Uniao Vopak Armazens Gerais Limitada (50%)

##### Chile

Terminal Maritimo Vopak-Oxiquim Mejillones S.A. (50%)

##### Ecuador

Vopak Ecuador S.A. (50%)

<sup>1)</sup> Vopak Terminal Penjuru Pte. Ltd. 60% ownership in Vopak Terminals Shandong Lanshan

<sup>2)</sup> Vopak Holding Singapore Pte. Ltd. 69.5% ownership in Vopak Terminals Singapore Pte. Ltd.

<sup>3)</sup> Vopak Terminals Singapore Pte Ltd. 100% ownership in Vopak Terminal Penjuru Pte. Ltd.

<sup>4)</sup> Vopak Terminal Penjuru Pte. Ltd. 30% ownership in Kertih Terminals Sdn. Bhd.

## Five-year Consolidated Summary

In EUR millions	2009	2008	2007	2006	2005
<b>Consolidated abridged statement of income</b>					
Revenues	1,001	924	853	778	683
Other operating income	21	16	31	3	4
<b>Total operating income</b>	<b>1,022</b>	<b>940</b>	<b>884</b>	<b>781</b>	<b>687</b>
Operating expenses	- 560	- 546	- 523	- 508	- 470
Depreciation, amortization and impairment	- 131	- 110	- 107	- 93	- 86
<b>Total operating expenses</b>	<b>- 691</b>	<b>- 656</b>	<b>- 630</b>	<b>- 601</b>	<b>- 556</b>
Result of joint ventures and associates using the equity method	60	38	38	36	39
<b>Group operating profit</b>	<b>391</b>	<b>322</b>	<b>292</b>	<b>216</b>	<b>170</b>
Net finance costs	- 46	- 37	- 43	- 44	- 39
<b>Profit before income tax</b>	<b>345</b>	<b>285</b>	<b>249</b>	<b>172</b>	<b>131</b>
Income tax	- 69	- 55	- 51	- 25	- 25
<b>Net profit</b>	<b>276</b>	<b>230</b>	<b>198</b>	<b>147</b>	<b>106</b>
Attributable to:					
– Holders of ordinary shares	247	212	181	129	90
– Holders of financing preference shares	4	1	2	3	3
– Non-controlling interests	25	17	15	15	13
<b>Net profit</b>	<b>276</b>	<b>230</b>	<b>198</b>	<b>147</b>	<b>106</b>
<b>Consolidated abridged statement of financial position</b>					
Intangible assets	41	39	63	41	43
Property, plant and equipment	2,051	1,693	1,385	1,091	982
Financial assets	497	433	221	223	271
Deferred tax	5	7	16	21	45
Other	136	107	96	86	26
<b>Total non-current assets</b>	<b>2,730</b>	<b>2,279</b>	<b>1,781</b>	<b>1,462</b>	<b>1,367</b>
<b>Total current assets</b>	<b>406</b>	<b>355</b>	<b>352</b>	<b>359</b>	<b>398</b>
<b>Total assets</b>	<b>3,136</b>	<b>2,634</b>	<b>2,133</b>	<b>1,821</b>	<b>1,765</b>
<b>Total equity</b>	<b>1,333</b>	<b>1,009</b>	<b>880</b>	<b>735</b>	<b>659</b>
<b>Total non-current liabilities</b>	<b>1,412</b>	<b>1,141</b>	<b>846</b>	<b>699</b>	<b>774</b>
<b>Total current liabilities</b>	<b>391</b>	<b>484</b>	<b>407</b>	<b>387</b>	<b>332</b>
<b>Total liabilities</b>	<b>1,803</b>	<b>1,625</b>	<b>1,253</b>	<b>1,086</b>	<b>1,106</b>
<b>Total equity and liabilities</b>	<b>3,136</b>	<b>2,634</b>	<b>2,133</b>	<b>1,821</b>	<b>1,765</b>

## Glossary

Audit Committee	Committee within the Supervisory Board that assists the Executive Board in performing the supervisory tasks relating to, among other things, the integrity of the financial statements, the financial reporting, the internal audit procedures and the relationship with and the independence of the external auditors
Bcma	Billion cubic meters per annum
Biofuels/Biodiesel/Bio-ethanol	Products of vegetable origin or from animal fats that are added to gasoline or diesel
Capital employed	Total assets less current liabilities, excluding assets and current liabilities not related to operational activities
Cbm	Cubic meter
CEMEA	Vopak division Chemicals Europe, Middle East & Africa
CFO	Chief Financial Officer, Member of the Executive Board, specifically charged with Finance
Corporate Governance	The manner in which the company is managed and the supervision of management is structured
COSO	Committee of Sponsoring Organizations of the Treadway Commission, an international organization whose aim is to create a model for information on and management of business risks
CRM	Customer Relationship Management
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ERM	Enterprise Risk Management
Greenfield	Building a new terminal on undeveloped land
GRI	Global Reporting Initiative (for more information please visit <a href="http://www.globalreporting.org">www.globalreporting.org</a> )
HR	Human Resources
Hub	Regional storage and transport center
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standards
Lean	Quality improvement method and philosophy
LNG	Liquefied Natural Gas
LostTime Injury Rate (LTIR)	Number of accidents entailing absence from work per million hours worked
LTIP	Long Term Incentive Plan
NPS	Net Promotor Score; a method of measuring the strength of customer loyalty for an organization
OEI	Operational Efficiency Improvement
OEMEA	Vopak division Oil Europe, Middle East & Africa
ROCE	Return on Capital Employed, EBIT as a percentage of the average capital employed
SHEQ	Safety, Health, Environment and Quality
Throughput	Volume of a product handled by a terminal in a given period, calculated as (in + out)/2
Total Injury Rate (TIR)	Total number of injuries per million hours worked
VSQI	Vopak Service Quality Index; shows the quality of the various business processes at Vopak





# “Looking to the future with confidence.”



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